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WISCONSIN ECONOMIC INDICATORS

OCTOBER 1986

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DILHR
DEPARTMENT OF
INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

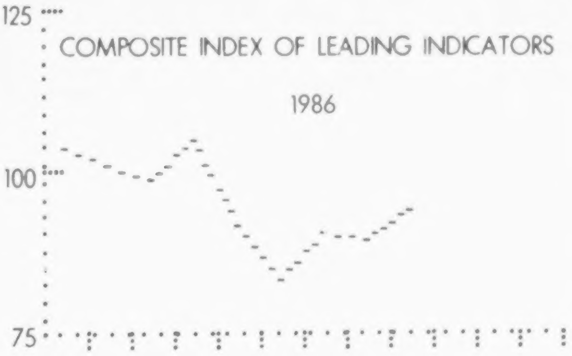
COVER PHOTO: Courtesy of Wisconsin Division of Tourism.

THE WISCONSIN ECONOMY

SUMMARY FOR SEPTEMBER

COMPOSITE INDEX

Wisconsin's Composite Index of Leading Indicators rose to 93.3 in September after having been stalled just under ninety for two months. The index is computed on a base year of 1979, which equals one hundred. The various series composing the index are good indicators of labor utilization and business formation, and have a lead time of four months.



LEADING INDICATORS

Total job openings received by Job Service offices powered the composite index rise. Employers' calls for workers increased well above the usual seasonal pace for September, increasing by over two thousand and exceeding the eleven thousand plateau for the first time in over two years.

The number of building plans examined remained about even in September... gaining only two. The number, however, usually decreases in that month, so even holding steady is a plus. State officials examine commercial and industrial building plans for safety purposes. A growth in plans examined usually foreshadows increased construction activity and employment.

The level of new business incorporations decreased by over thirty--not a large amount, but counter to the usual September trend. A growth of about thirty would have been normal.

Production workers in Wisconsin's manufacturing industries spent an average of 41.5 hours per week on the job during September. There is a seasonal pattern to the average workweek and September is, historically, the month with the highest weekly average. Despite this month's increase, the trend is down from a month ago considering the seasonal factor. Hours-worked grew, but not as much as could be expected.

The average number of overtime hours per week increased in the state's manufacturing sector. And, overtime grew at more than the usual seasonal pace. September's overtime growth seems a surprise when considering the subpar growth of the total workweek average and when considering the decrease in manufacturing employment. Manufacturing employment usually does fall off in September, but this month's decrease is larger than normal.

This month's work-hours averages and employment figures may have been distorted by large, but short duration, layoffs in motor vehicle manufacturing. Other industries were doing well enough to boost overtime. Another factor may have been the decrease of employment in food processing. Canning factory employees, typically, are not paid an overtime rate and there is no designated standard workweek. A larger than normal employment decrease in food processing could bring down the trend in the average workweek while other industries increase overtime.

Adding weight to this scenario is an increase of over 360 in the average weekly number of initial claims for unemployment compensation. A decrease of about 460 would fit the seasonal pattern for this September.

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1985
LEADING INDICATORS								
L1 COMPOSITE INDEX OF LEADING INDICATORS								
Seasonally Adjusted	INDEX	93.3	Sep	88.6	88.4	5.3	5.5	84.3
L2 AVG. WORK WEEK, MFG.								
Unadjusted	HOURS	41.5	Sep	41.4	41.2	0.2	0.7	41.1
Seasonally Adjusted		41.3		41.5	41.0	-0.5	0.7	
L3 AVG. OVERTIME HOURS, MFG.								
Unadjusted	HOURS	4.1	Sep	3.9	3.8	5.1	7.9	3.3
Seasonally Adjusted		3.6		3.5	3.3	2.9	9.1	
L4 AVG. WEEKLY INITIAL CLAIMS								
Unadjusted	NUMBER	6,252	Sep	5,890	6,608	6.1	-5.4	10,380
Seasonally Adjusted		9,262		8,046	9,783	15.1	-5.3	
L5 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	11,486	Sep	9,384	10,433	22.4	10.1	8,228
Seasonally Adjusted		9,979		6,105	9,065	63.5	10.1	
L6 NEW BUSINESS INCORPORATIONS								
Unadjusted	NUMBER	494	Sep	525	493	-5.9	0.2	542
Seasonally Adjusted		505		566	503	-10.8	0.4	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES								
Unadjusted	NUMBER	2,108	Sep	2,836	1,385	-25.7	52.2	1,356
Seasonally Adjusted		1,580		1,461	1,376	8.1	14.8	
L8 BUILDING PLANS EXAMINED								
Unadjusted	NUMBER	607	Sep	605	636	0.3	-4.6	526
Seasonally Adjusted		565		541	591	4.4	-4.4	
ROUGHLY COINCIDING INDICATORS								
C1 HELP-WANTED INDEX (MILW.)								
Seasonally Adjusted	INDEX	63	Sep	61	54	3.3	16.7	55
C2 UNEMPLOYMENT RATE, TOTAL								
Unadjusted	PERCENT	6.1	Sep	6.2	5.8	-	-	7.2
Seasonally Adjusted		7.4		7.0	7.0	-	-	
C3 NATURAL GAS SALES								
Unadjusted	MIL. THERMS	79.8	Aug	77.8	116.4	2.6	-31.4	252.9
Seasonally Adjusted		170.1		173.3	248.2	-1.8	-31.9	
C4 NEW CAR REGISTRATIONS								
Unadjusted	NUMBER	19,533	Sep	15,650	18,242	24.8	7.1	16,697
Seasonally Adjusted		19,413		13,436	18,121	44.5	7.1	
C5 ELECTRIC POWER SALES								
Unadjusted	MIL. KWH	2028.0	Aug	2116.3	2000.9	-4.2	1.4	1893.9
Seasonally Adjusted		1872.6		1990.9	1847.6	-5.9	1.4	
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL. DOL.	320.5	Sep	97.3	71.4	229.4	348.9	131.3
Seasonally Adjusted		363.8		105.2	81.1	245.8	348.6	

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1985
C7 MANUFACTURING EMPL.								
Unadjusted	THOUS	527.3	Sep	531.1	528.5	-0.7	-0.2	515.2
Seasonally Adjusted		512.4		515.6	513.7	-0.6	-0.3	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	426.62	Sep	420.21	416.94	1.5	2.3	421.57
Seasonally Adjusted		430.06		432.31	420.27	0.5	2.3	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL	414.9	Jul	397.3	419.0	4.4	-1.0	421.0
Seasonally Adjusted		408.4		408.3	412.6	0.0	-1.0	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS	71.1	Sep	71.5	70.4	-0.6	1.0	62.8
Seasonally Adjusted		62.8		62.5	62.1	0.5	1.1	
OTHER KEY INDICATORS								
XI BIRTH REGISTRATIONS								
Unadjusted	NUMBER	6,659	Sep	6,226	6,433	7.0	3.5	6,141
Seasonally Adjusted		6,282		6,195	6,068	1.4	3.5	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3,571	Sep	3,258	3,381	9.6	5.6	3,475
Seasonally Adjusted		3,697		3,686	3,499	0.3	5.7	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	3,088	Sep	2,968	3,052	4.0	1.2	2,666
Seasonally Adjusted		2,588		2,552	2,559	1.4	1.1	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	4,802	Sep	4,660	5,047	3.0	-4.9	3,360
Seasonally Adjusted		3,309		3,147	3,478	5.1	-4.9	
X5 CONSUMER PRICE INDEX (MILW.)				(Jul)				
Unadjusted	INDEX	332.9	Sep	331.3	332.4	0.5	0.2	330.5
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	133	Sep	134	127	-0.7	4.7	133
Seasonally Adjusted		133		134	127	-0.7	4.7	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	5,382	Sep	5,339	4,588	0.8	17.3	1,615
Seasonally Adjusted		1,584		1,532	914	3.4	73.3	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	683	Sep	2,489	910	-72.6	-24.9	450
Seasonally Adjusted		331		1,425	441	-76.8	-24.9	
X9 UNEMPL. COMPENSATION EXHAUSTEES								
Unadjusted	NUMBER	25,360	Sep	26,627	26,585	-4.8	-4.6	26,616
Seasonally Adjusted		25,772		25,603	27,008	0.7	-4.6	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES SEPTEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2435.4	2431.5	2384.4	0.2	2.1
Employment (Inc. Labor Disputes)	2286.3	2280.8	2246.1	0.2	1.8
Unemployment	149.1	150.7	138.2	-1.1	7.1
Unemployment Rate	6.1	6.2	5.8	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2415.0	2406.8	2362.3	0.3	2.2
Employment (Inc. Labor Disputes)	2237.1	2238.3	2197.3	-0.1	1.8
Unemployment	177.9	168.6	165.0	5.5	7.8
Unemployment Rate	7.4	7.0	7.0	-	-

WISCONSIN EMPLOYMENT ESTIMATES SEPTEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2051.9	2031.4	2016.1	1.0	1.8
Unadjusted					
Manufacturing	527.1	529.1	527.6	-0.4	-0.1
Mining	3.0	3.0	2.7	0.0	11.1
Contract Construction	70.6	71.0	70.4	-0.6	0.3
Transportation and Public Utilities	96.4	93.0	96.0	3.7	0.4
Elec., Gas and Sanitary Services	17.7	17.9	17.3	-1.1	2.3
Wholesale Trade	98.4	99.0	98.6	-0.6	-0.2
Retail Trade	384.8	385.3	374.6	-0.1	2.7
General Merchandise	46.9	46.8	47.0	0.2	-0.2
Finance, Insurance and Real Estate	109.3	110.2	104.9	-0.8	4.2
Banking	28.8	29.0	28.3	-0.7	1.8
Insurance	36.4	36.5	34.2	-0.3	6.4
Service and Miscellaneous	436.0	437.5	422.1	-0.3	3.3
Hospitals	67.3	67.3	66.2	0.0	1.7
Private Education	22.2	20.0	23.5	1.0	-5.5
Government	326.4	303.3	319.2	7.6	2.3
State Government	86.0	78.1	83.3	10.1	3.2
Local Government	212.3	196.7	208.0	7.9	2.1

UNITED STATES LABOR FORCE ESTIMATES SEPTEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	118,220	118,182	115,790	0.0	2.1
Employment	109,891	110,155	107,519	-0.2	2.2
Unemployment	8,329	8,027	8,271	3.8	0.7
Unemployment Rate	7.0	6.8	7.1	-	-

MANUFACTURING EMPLOYMENT *(Unadjusted)* SEPTEMBER	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	527.1	529.1	527.6
All Manufacturing (Excluding Canning)	506.9	507.5	503.5
Durable Goods	315.9	314.4	315.6
Lumber and Wood Prod., (Except Furniture)	24.2	24.3	23.3
Sawmills and Planning Mills	3.3	3.2	3.3
Millwork, Veneer, Plywood & Prefab. Wood Prod.	11.7	11.9	11.0
Furniture and Fixtures	10.0	9.8	9.8
Household Furniture	4.1	4.0	4.0
Stone, Clay and Glass Products	8.4	8.6	8.3
Concrete, Gypsum and Plaster Products	4.4	4.5	4.3
Primary Metal Industries	19.0	18.9	19.2
Iron and Steel Foundries	10.2	10.1	10.3
Fabricated Metal Products	52.3	52.2	51.5
Heating Equipment (Except Electrical) & Plumbing Fixtures	6.0	6.0	6.2
Fabricated Structural Metal Products	12.1	12.3	12.9
Metal Stampings	11.0	10.8	10.9
Machinery (Except Electrical)	99.0	98.8	99.5
Engines and Turbines	18.7	17.9	18.0
Farm Machinery and Equipment	12.1	12.1	12.4
Const., Min. & Material Handling Mach. & Equip.	10.9	11.0	10.3
Metalworking Machinery and Equipment	11.2	11.2	11.7
Special Industry Machinery (Except Metalworking)	11.9	12.0	12.9
General Industrial Machinery and Equipment	13.6	13.6	13.4
Service Industry Machines	6.8	6.9	7.3
Electrical Machinery, Equipment and Supplies	49.8	49.8	49.4
Electrical Industrial Apparatus	16.8	16.9	17.1
Household Appliances	6.4	6.4	6.6
Transportation Equipment	31.6	30.0	32.9
Motor Vehicles and Equipment	23.4	21.9	26.0
Instruments and Related Products	11.6	11.6	11.5
Miscellaneous Manufacturing	10.0	10.3	10.2
Nondurable Goods	211.3	214.8	212.0
Food and Kindred Products	70.3	72.5	74.5
Meat Products	14.4	14.8	14.7
Dairy Products	17.2	17.4	17.3
Canning and Preserving	20.2	21.6	24.1
Bakery Products	4.4	4.3	4.2
Beverage Industries	7.6	7.7	8.1
Textile Mill Products	4.2	4.3	4.4
Knitting Mills	3.4	3.5	3.6
Apparel and Other Finished Products	7.0	6.8	6.5
Paper and Allied Products	48.9	49.2	48.0
Pulp and Paper Mills	29.5	29.6	29.4
Converted Paper and Paperboard Products	11.3	11.4	10.5
Paperboard Containers and Boxes	6.6	6.7	6.6
Printing, Publishing and Allied Industries	39.1	39.5	38.3
Newspapers	12.3	12.3	11.9
Commercial Printing	17.2	17.4	16.7
Chemicals and Allied Products	9.9	10.1	10.1
Rubber and Misc. Plastics Products	25.1	25.3	22.8
Miscellaneous Plastics Products	21.0	21.1	18.3
Leather and Leather Products	6.5	6.8	7.2
Leather Tanning and Finishing	1.5	1.5	1.7
Footwear (Except Rubber)	3.2	3.5	3.8
Other Nondurable Goods	-	-	-

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* SEPTEMBER	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$427	$420	$417	41.5	41.4	41.2
All Manufacturing (Excl. Canning)	437	430	426	41.7	41.4	41.1
Durable Goods	442	432	431	41.8	41.3	41.0
Lumber/Wood Prod. (Exc. Furn.)	364	362	314	42.8	42.1	41.3
Furniture and Fixtures	350	335	324	43.1	42.0	42.4
Stone, Clay and Glass Products	412	410	416	40.4	40.4	43.6
Primary Metal Industries	441	430	404	43.9	43.1	40.6
Iron and Steel Foundries	441	427	413	44.2	43.3	40.9
Fabricated Metal Products	408	410	408	40.3	40.2	39.9
Fab. Structural Metal Prod.	425	425	444	41.1	41.5	43.2
Metal Stampings	431	427	407	40.4	40.1	39.7
Machinery (Except Electrical)	486	479	482	42.1	41.8	41.7
Engines and Turbines	529	520	501	41.7	42.0	39.9
Farm Machinery and Equip.	538	531	542	42.0	41.7	42.1
Const. and Related Mach.	459	449	497	42.2	40.9	43.0
Metalworking Mach. and Equip.	523	519	525	42.8	43.0	42.8
Spec. Ind. Mach. (Exc. Metal) .	490	496	522	41.6	42.0	44.6
Gen. Industrial Mach. and Equip.	500	496	497	41.9	41.4	41.0
Electrical Mach., Equip. and Supp.	422	414	394	41.6	41.2	39.4
Electrical Industrial Apparatus	438	437	413	40.6	40.9	39.0
Transportation Equipment	566	534	574	41.8	40.5	41.7
Instruments and Related Prod.	340	348	363	38.8	39.4	40.3
Nondurable Goods	406	404	396	41.2	41.6	41.5
Food and Kindred Products	343	351	347	39.8	41.4	41.1
Meat Products	361	360	343	41.4	41.0	39.1
Dairy Products	407	403	404	41.2	41.0	41.6
Textile Mill Products	353	333	281	44.8	42.6	39.3
Apparel and Other Fin. Prod.	262	249	254	41.8	40.0	40.8
Paper and Allied Products	560	557	545	45.5	45.9	45.9
Pulp and Paper Mills	606	600	593	46.3	46.6	47.0
Printing, Pub. and Allied Prod.	443	432	439	38.8	38.9	39.4
Chemicals and Allied Products	458	446	438	40.2	39.6	40.9
Rubber and Misc. Plastics Prod.	332	330	317	40.3	39.9	38.5
Leather and Leather Products.	255	248	248	38.4	37.5	38.7

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* SEPTEMBER	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.28	10.15	10.12	9.83	9.73	9.76
All Manufacturing (Excl. Canning)	10.49	10.39	10.37	10.02	9.95	9.98
Durable Goods	10.57	10.46	10.52	10.14	10.07	10.19
Lumber/Wood Prod. (Exc. Furn.)	8.51	8.61	7.61	8.10	8.20	7.52
Furniture and Fixtures	8.13	7.97	7.65	7.75	7.75	7.43
Stone, Clay and Glass Products	10.20	10.14	9.53	9.84	9.84	9.20
Primary Metal Industries	10.05	9.97	9.96	9.54	9.52	9.58
Iron and Steel Foundries	9.97	9.87	10.10	9.49	9.45	9.79
Fabricated Metal Products	10.13	10.19	10.23	9.73	9.81	9.85
Fab. Structural Metal Prod.	10.35	10.23	10.27	9.89	9.86	9.72
Metal Stampings	10.67	10.64	10.25	10.29	10.32	9.99
Machinery (Except Electrical)	11.55	11.45	11.56	11.12	11.04	11.28
Engines and Turbines	12.69	12.37	12.55	12.18	11.85	12.31
Farm Machinery and Equip.	12.80	12.74	12.88	12.30	12.28	12.45
Const. and Related Mach.	10.88	10.98	11.55	10.56	10.72	11.32
Metalworking Mach. and Equip.	12.21	12.06	12.27	11.74	11.68	11.76
Spec. Ind. Mach. (Exc. Metal) .	11.78	11.81	11.71	11.25	11.25	10.98
Gen. industrial Mach. and Equip.	11.93	11.99	12.12	11.51	11.58	11.80
Electrical Mach., Equip. and Supp.	10.14	10.05	10.01	9.83	9.75	9.73
Electrical Industrial Apparatus	10.80	10.69	10.59	10.65	10.48	10.26
Transportation Equipment	13.53	13.18	13.76	12.87	12.57	13.16
Instruments and Related Prod.	8.77	8.82	9.01	8.57	8.57	8.89
Nondurable Goods	9.86	9.70	9.55	9.34	9.22	9.10
Food and Kindred Products	8.62	8.48	8.44	8.16	8.04	8.09
Meat Products	8.72	8.78	8.78	8.38	8.42	8.46
Dairy Products	9.87	9.82	9.71	9.21	9.20	9.24
Textile Mill Products	7.89	7.82	7.16	7.50	7.47	6.91
Apparel and Other Fin. Prod.	6.26	6.23	6.23	6.03	6.08	6.01
Paper and Allied Products	12.31	12.41	11.87	11.69	11.56	11.28
Pulp and Paper Mills	13.08	12.88	12.61	12.46	12.32	11.99
Printing, Pub. and Allied Prod.	11.41	11.10	11.15	-	-	-
Chemicals and Allied Products	11.39	11.27	10.71	11.15	11.06	10.45
Rubber and Misc. Plastics Prod.	8.25	8.28	8.23	7.90	7.92	7.99
Leather and Leather Products.	6.63	6.62	6.40	6.46	6.49	6.19

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* SEPTEMBER	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$400	$394	$390	41.0	40.7	40.8	9.75	9.67	9.57	–	–
Wisconsin	427	420	417	41.5	41.4	41.2	10.28	10.15	10.12	9.83	9.73
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	442	424	435	42.6	42.3	43.2	10.38	10.02	10.06	9.87	9.54
Beloit (City)	422	386	386	40.9	38.9	41.1	10.32	9.93	9.39	–	–
Eau Claire (Eau Claire-Chippewa)	431	449	432	41.2	42.0	41.8	10.47	10.68	10.33	10.18	10.36
Fond du Lac (County)	406	394	363	44.1	43.5	41.0	9.20	9.06	8.86	8.56	8.44
Green Bay (Brown County)	459	449	470	41.9	42.1	43.0	10.96	10.67	10.94	10.38	10.10
Janesville (City)	562	471	516	41.9	38.1	39.0	13.41	12.36	13.23	12.87	12.18
Janesville-Beloit (Rock County)	508	435	467	41.5	39.5	39.8	12.24	11.01	11.73	11.61	10.59
Kenosha (County)	446	445	480	40.7	39.2	39.6	10.96	11.35	12.12	10.37	10.74
La Crosse (County)	359	357	355	39.4	38.6	39.4	9.11	9.25	9.01	8.74	8.82
Madison (Dane County)	400	404	386	41.3	42.3	41.3	9.68	9.54	9.34	9.22	8.98
Manitowoc (County)	357	360	346	38.5	39.1	38.8	9.28	9.20	8.91	9.01	8.91
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	479	476	472	41.0	41.0	40.8	11.68	11.61	11.57	11.08	11.03
Racine (County)	441	439	418	40.5	40.7	39.3	10.89	10.79	10.64	10.58	10.52
Sheboygan (County)	389	392	371	41.2	41.9	39.7	9.45	9.35	9.35	9.35	9.03
Wausau (Marathon County)	423	411	418	43.3	42.3	42.6	9.78	9.71	9.82	9.08	9.28

EMPLOYMENT, MFG. *(Unadjusted)* SEPTEMBER	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,280.0	19,236.0	19,402.0	0.2	-0.6
Wisconsin	527.1	529.1	527.6	-0.4	-0.1
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	50.2	50.0	49.9	0.4	0.6
Beloit (City)	4.5	4.6	5.5	-2.2	-18.2
Eau Claire (Eau Claire-Chippewa)	10.0	10.1	9.4	-1.0	6.4
Fond du Lac (County)	11.0	10.7	10.7	2.8	2.8
Green Bay (Brown County)	24.9	25.6	24.6	-2.7	1.2
Janesville (City)	11.0	8.0	11.0	37.5	0.0
Janesville-Beloit (Rock County)	17.4	14.6	18.4	19.2	-5.4
Kenosha (County)	9.9	11.1	12.4	-10.8	-20.2
La Crosse (County)	10.6	10.8	11.0	-1.9	-3.6
Madison (Dane County)	21.3	22.0	21.9	-3.2	-2.7
Manitowoc (County)	12.7	12.8	11.4	-0.8	11.4
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	170.9	170.4	169.7	0.3	0.7
Racine (County)	23.1	23.3	24.1	-0.9	-4.1
Sheboygan (County)	18.6	18.6	18.6	0.0	0.0
Wausau (Marathon County)	11.3	11.7	11.0	-3.4	2.7

A MINIMUM WAGE BOOST: NOT AGAIN ... OR, LONG OVERDUE

by Joseph Tumpach, Jr.

Should we or shouldn't we? Boost the minimum wage, that is. Government officials, business leaders, economists and the news media are focusing attention on the minimum wage level and there are both plenty of proponents and plenty of opponents to raising the current wage floor set by Congress at $3.35 per hour.

Congress, in the past, constantly revised the legal pay level. When first enacted in 1938, the Fair Labor Standards Act set the minimum wage at twenty-five cents per hour, but the law included a schedule of increases and Congress has periodically amended the law to provide wage increases. The present tug-o-war over whether to again raise the pay rate has its roots in the erosion of the dollars' buying power. Congress last acted on the minimum wage in 1977, stipulating an increase from the $2.30 per hour then required to $3.35 per hour in 1981.

Between 1977 and 1985 the cost of living has gone up about seventy-five percent; the minimum wage, forty-five percent. And, while inflation has abated recently, the minimum wage remains unchanged for nearly five years. The buying power of a minimum wage worker has consistently weakened since 1978.

But inflation has waned. The general price level of consumer goods has grown only around three percent in the last year. What's more, unionized workers at high pay levels have shown restraint in bargaining for wages as manufacturing jobs have been exported to foreign employers. While some cite these as reasons to not raise the minimum, others counter that while inflation is low, it does exist... those at the bottom of the wage structure have already carried a disproportionate share of the brunt of inflation. Supporters of an increase in the minimum wage argue that an increase is needed to fight poverty. A full-time, 40 hours per week, year-round, 52 weeks, worker earning minimum wage would earn $6,968 per year, and that is below the poverty level for any but a single person household, below the poverty level for a family of even two.

Increasing the minimum hourly pay rate, those against argue, is no way to fight poverty. That would only eliminate jobs, they protest. And, any job, no matter how low the wages, is better for the jobless poor than no job at all. Businesses that depend on large numbers of low-paid workers simply could not survive and jobs would be lost when wages rise.

Complicating the issue of a minimum wage increase are some misconceptions about who receive low wages. Many imagine, when minimum wage is mentioned, an army of teenage workers who are not primary family supporters, who are working, perhaps, for college funds and who will graduate to well-paying careers and are, thus, not poverty bound by a minimum wage job... or teen-age workers who are working to buy stereo equipment, their own car or other "musts" of teen living.

Actually, teenagers represent a minority of minimum wage earners. According to the 1978 Current Population Survey conducted by the Census bureau, teenage workers compose thirty percent of minimum wage employees and adults, those twenty years old and older make up seventy percent. If we assume adults to be twenty-five years old, 47.3 percent of minimum wage earners are adults. A large portion of minimum wage workers fall in the twenty to twenty-four year old category and could likely be post-secondary students working part-time while in school. Part-time work is covered by the minimum wage law. So, should we weigh our minimum wage decision with students' low income... they are not usually primary family earners.

According to the 1978 Current Population Survey, three-fourths of all minimum wage workers lived in families with an income well above the poverty level. These are not sound arguments, however, for keeping the minimum wage low. One factor that correlates with low level income is a low level of educational attainment. More education usually translates to better income and, conversely, less education generally means less earning power. In so far as the minimum wage sets a standard for even part-time wages, an adequate minimum wage level may determine a student's ability to remain in school and may, thus, be the best way to fight poverty.

There is a big "if" in the equation. We don't really know if or how many jobs would be lost with a boost in the minimum wage. Cycles of recession, recovery and prosperity with their accompanying job loss and gain masked, in the past, the effects of minimum wage increases upon employment.

Many employers do say that young workers do not have a productivity level that warrants increased wages. An increase, they say, would force employers to reduce their labor needs or would even force employers out of business. Employers that operate labor-intensive businesses and that rely on cheap labor most often are in service or retail industries. And those industries normally involve a large number of small establishments within an area. That is, they are highly competitive industries. That adds credence to employers' calls to leave the minimum wage unchanged. That adds credibility to the idea of a dual minimum wage with a sub-minimum wage for youth. The objective would be to maintain and even create jobs for youth and, thus, supplement other family income rather than to maintain a living wage.

But, again, we don't know if the dual minimum wage concept would work. Youth have always had a much higher than average unemployment rate, even in the midst of economic good times. We simply don't know why.

Aside from the youth, adults compose a great share of workers earning minimum wage. Nearly half of all low-wage workers are people who are twenty-five years old or over. True, three-fourths of all minimum wage earners live in families with above poverty income, but, that leaves a quarter of the workers in poverty stricken families. In actual numbers, that's a large amount. In 1984, according to the Bureau of Labor Statistics, there were eight million minimum wage workers throughout the country. Of these eight million, 2.1 million worked full-time, year round and yet remained in poverty. And 1.2 million were heads of households. For over one million people, and their dependants, work was not an escape from poverty; low wages were a hurdle to prosperity. An increase of the minimum wage level will help if jobs are not eliminated. If low wage jobs are lost, will older workers displace working youth?

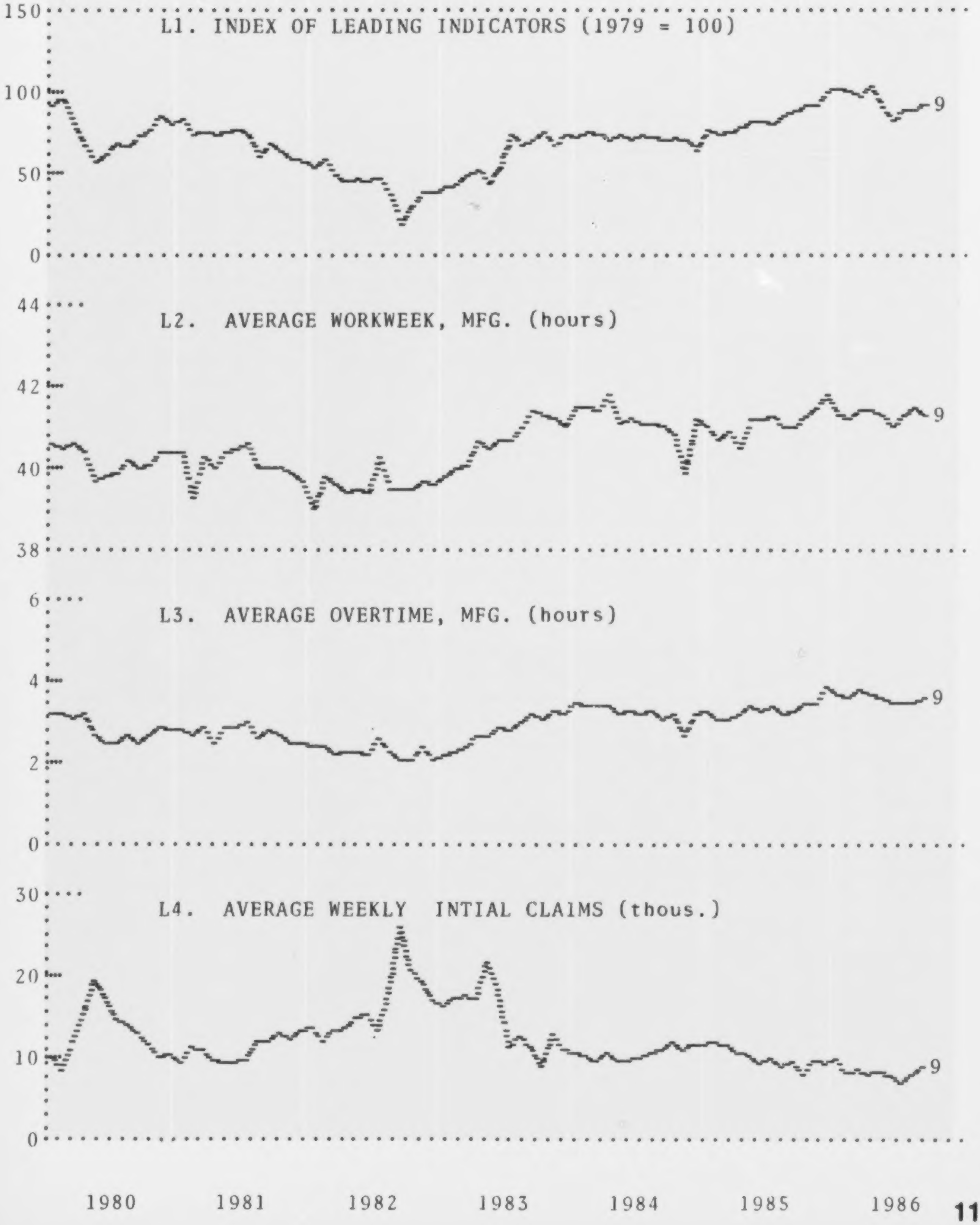
Perhaps no minimum wage legislation is necessary--labor supply and demand could boost wages. Youth population, and thus the youth labor force, will diminish, in Wisconsin at least, through 1995. A scarcity of labor in those industries likely to employ youth could raise the lower wage levels. And those industries are precisely the ones prone to low wages--service and retail trade.

Will there ever be enough well-paying jobs for those who want them? One out of ten minimum wage earners are women who are sole household earners. A very large portion of those women likely depend on public welfare payments. How high would the minimum wage need to be for those women to avoid welfare? And again, would we need to balance job loss against a higher minimum wage?

Section

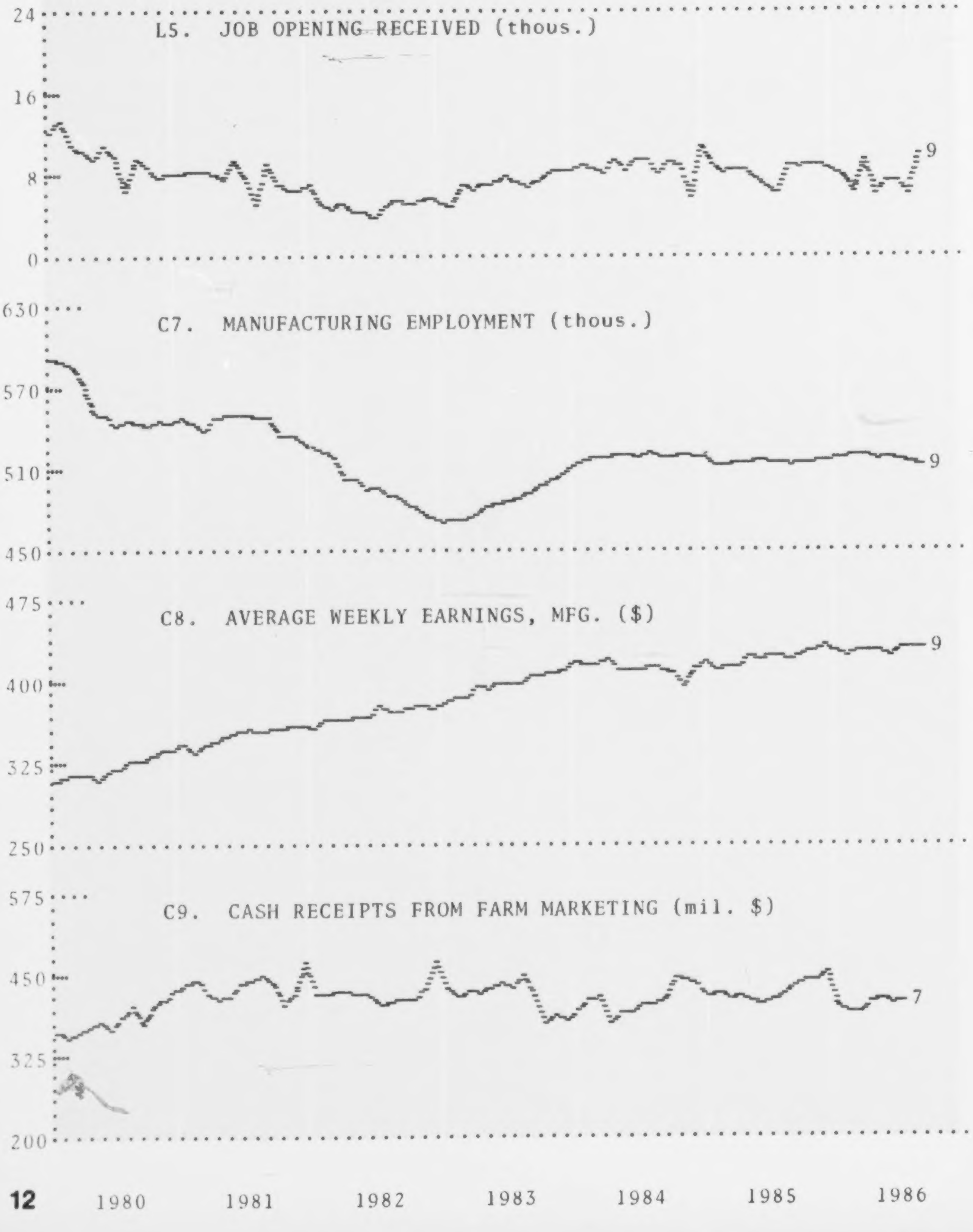
D

CYCLICAL INDICATORS



Section

D CYCLICAL INDICATORS



L5. JOB OPENING RECEIVED (thous.)

C7. MANUFACTURING EMPLOYMENT (thous.)

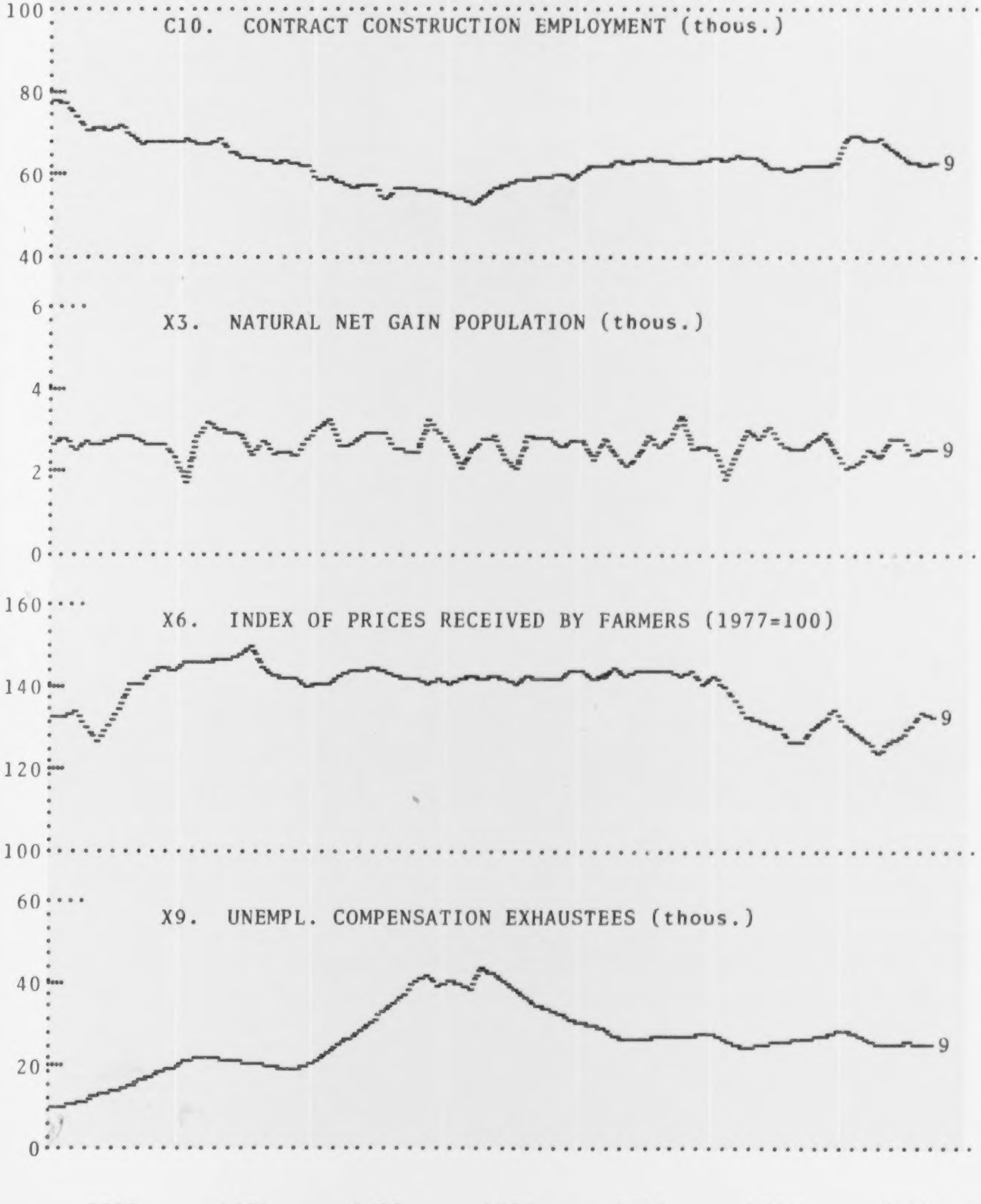
C8. AVERAGE WEEKLY EARNINGS, MFG. ($)

C9. CASH RECEIPTS FROM FARM MARKETING (mil. $)

Section

D

CYCLICAL INDICATORS



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NOTE: The August issue of Wisconsin Economic Indicators was not published due to printing difficulties. Data current to the August issue appears in the September issue under the "month ago" columns.

12/29/86 58750-1

WISCONSIN ECONOMIC INDICATORS

NOVEMBER 1986

DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

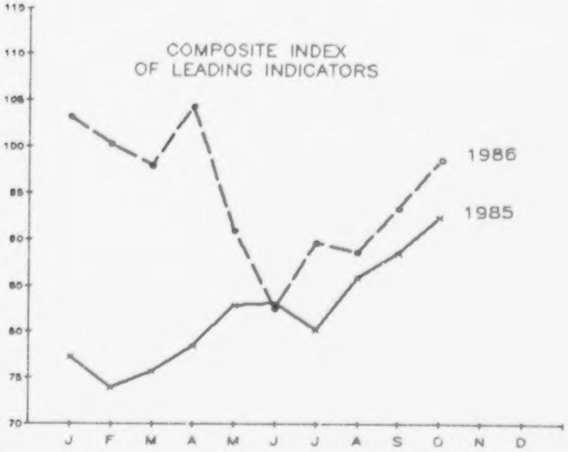
COVER PHOTO: AFTER THE GREAT SNOW FIGHT, Brookfield. Courtesy of Dale M. Guldan and the State Historical Society of Wisconsin.

THE WISCONSIN ECONOMY

SUMMARY FOR OCTOBER

COMPOSITE INDEX

Wisconsin's Composite Index of Leading Indicators rose to 98.4 in October. That is the highest level in six months. The index is based on a 1979 annual average equal to one hundred and sums the forecasting powers of seven Wisconsin leading economic indicators. The index has been volatile this year and has not sustained a trend. Despite that, the year-to-date average of the index this year is well above the comparable average for last year.



LEADING INDICATORS

Production workers in Wisconsin's manufacturing industries spent fewer hours per week on the job during October. However, the decrease was slight and was less than is seasonally normal for this month, so the trend in the average workweek is up. Too, it was a reduction in overtime that lowered the workweek figure; the average "straight time" workweek increased slightly from one month earlier.

The average amount of production-worker overtime spent on the job per week dropped four-tenths of an hour in October. Overtime usually declines in the fall, but this month's decrease is slightly less than normal. A decrease of five-tenths of an hour would have been normal, so the overtime trend is up for October.

Along with less-than-normal decreases in the average workweek was a decrease of total manufacturing employment. Again, the decrease is smaller than usual for October. The number employed decreased by just over eight thousand, but a decrease of over ten thousand would have fit the usual seasonal pattern.

The average number of weekly initial claims for unemployment compensation increased by over 1,800 in October. That's a mild increase for that month. An increase of about 2,800 would have fit the seasonal pattern.

The initial claims level so far this year is averaging about 1,900 fewer per month than the first ten months of last year; and each month of this year has a lower level of claims than the comparable month of one year earlier. Thus, initial claims, a reliable leading indicator, has not yet signaled a stalling of economic activity.

This year's downward trend in initial claims is not a matter of worker ineligibility. The number of laid off workers who have exhausted unemployment compensation benefits has not increased appreciably in 1986. Exhaustees averaged 26,970 in the first ten months of 1985; and 26,989 in 1986.

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1985
LEADING INDICATORS								
L1 COMPOSITE INDEX OF LEADING INDICATORS								
Seasonally Adjusted	INDEX	98.4	Oct	93.3	92.2	5.5	6.7	8.43
L2 AVG. WORK WEEK, MFG.								
Unadjusted	HOURS	41.3	Oct	41.5	41.1	-0.5	0.5	41.1
Seasonally Adjusted		41.5		41.3	41.3	0.5	0.5	
L3 AVG. OVERTIME HOURS, MFG.								
Unadjusted	HOURS	3.7	Oct	4.1	3.5	-9.8	5.7	3.3
Seasonally Adjusted		3.7		3.6	3.5	2.8	5.7	
L4 AVG. WEEKLY INITIAL CLAIMS								
Unadjusted	NUMBER	8,069	Oct	6,252	8,179	29.1	-1.3	10,380
Seasonally Adjusted		8,217		9,262	8,332	-11.3	-1.4	
L5 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	10,905	Oct	11,486	8,657	-5.1	26.0	8,228
Seasonally Adjusted		11,060		9,979	8,781	10.8	26.0	
L6 NEW BUSINESS INCORPORATIONS								
Unadjusted	NUMBER	537	Oct	494	568	8.7	-5.5	542
Seasonally Adjusted		534		505	565	5.7	-5.5	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES								
Unadjusted	NUMBER	355	Oct	2,108	995	-83.2	-67.0	1,356
Seasonally Adjusted		1,614		1,580	1,504	2.2	7.3	
L8 BUILDING PLANS EXAMINED								
Unadjusted	NUMBER	810	Oct	607	769	33.4	5.3	526
Seasonally Adjusted		583		565	553	3.2	5.4	
ROUGHLY COINCIDING INDICATORS								
C1 HELP-WANTED INDEX (MILW.)								
Seasonally Adjusted	INDEX	65	Oct	63	57	3.2	14.3	55
C2 UNEMPLOYMENT RATE, TOTAL								
Unadjusted	PERCENT	6.4	Oct	6.2	5.9	–	–	7.2
Seasonally Adjusted		7.4		7.4	6.8	–	–	
C3 NATURAL GAS SALES								
Unadjusted	MIL THERMS	93.6	Sep	79.8	127.0	17.3	-26.3	252.9
Seasonally Adjusted		181.4		170.1	246.0	6.6	-24.5	
C4 NEW CAR REGISTRATIONS								
Unadjusted	NUMBER	26,085	Oct	19,533	24,712	33.5	5.6	16,697
Seasonally Adjusted		23,281		19,413	22,053	19.9	5.6	
C5 ELECTRIC POWER SALES								
Unadjusted	MIL KWH	1986.1	Sep	2028.0	1924.6	-2.1	3.2	1893.9
Seasonally Adjusted		2020.4		1872.6	1958.5	7.9	3.2	
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL DOL	154.8	Oct	320.5	60.1	-51.7	157.6	131.3
Seasonally Adjusted		174.1		363.8	67.6	-52.1	157.5	

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1985
C7 MANUFACTURING EMPL.								
Unadjusted	THOUS	519.5	Oct	527.6	520.3	-1.5	-0.2	515.2
Seasonally Adjusted		514.9		512.7	515.7	0.4	-0.2	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	424.56	Oct	426.62	422.10	-0.5	0.6	421.57
Seasonally Adjusted		429.28		430.06	427.00	-0.2	0.5	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL	424.2	Aug	415.4	427.6	2.1	-0.8	421.0
Seasonally Adjusted		419.6		408.9	422.9	2.6	-0.8	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS	70.8	Oct	71.1	70.6	-0.4	0.3	62.8
Seasonally Adjusted		62.8		62.8	62.6	0.0	0.3	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	6,234	Oct	6,659	6,283	-6.4	-0.8	6,141
Seasonally Adjusted		6,185		6,282	6,232	-1.5	-0.8	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3,351	Oct	3,571	3,417	-6.2	-1.9	3,475
Seasonally Adjusted		3,440		3,697	3,508	-7.0	-1.9	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	2,883	Oct	3,088	2,866	-5.6	0.6	2,666
Seasonally Adjusted		2,761		2,588	2,746	6.7	0.5	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	4,460	Oct	4,802	4,732	-7.1	-5.7	3,360
Seasonally Adjusted		3,776		3,309	4,007	14.1	-5.8	
X5 CONSUMER PRICE INDEX (MILW.)				(Jul)				
Unadjusted	INDEX	332.9	Sep	331.3	332.4	0.5	0.2	330.5
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	136	Oct	136	130	0.0	4.6	133
Seasonally Adjusted		136		136	130	0.0	4.6	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	2,389	Oct	5,382	2,683	-55.6	-11.0	1,615
Seasonally Adjusted		1,643		1,584	1,393	3.7	17.9	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	470	Oct	683	675	-31.2	-30.4	450
Seasonally Adjusted		239		331	344	-27.8	-30.5	
X9 UNEMPL. COMPENSATION EXHAUSTEES	NUMBER							
Unadjusted		23,724	Oct	25,377	25,593	-6.5	-7.3	26,616
Seasonally Adjusted		25,265		25,790	27,249	-2.0	-7.3	

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES OCTOBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2428.3	2422.5	2379.3	0.2	2.1
Employment (Inc. Labor Disputes)	2273.4	2273.5	2239.7	-0.0	1.5
Unemployment	154.9	149.0	139.6	4.0	11.0
Unemployment Rate	6.4	6.2	5.9	–	–
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2425.3	2402.4	2374.6	1.0	2.1
Employment (Inc. Labor Disputes)	2246.4	2224.6	2213.5	1.0	1.5
Unemployment	178.9	177.8	161.1	0.6	11.0
Unemployment Rate	7.4	7.4	6.8	–	–

WISCONSIN EMPLOYMENT ESTIMATES OCTOBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2044.2	2047.5	2014.0	-0.2	1.5
Unadjusted					
Manufacturing	519.2	527.4	519.6	-1.6	-0.1
Mining	2.9	3.0	2.6	-3.3	11.5
Contract Construction	70.8	70.6	70.6	0.3	0.3
Transportation and Public Utilities	97.3	96.3	95.8	1.0	1.6
Elec., Gas and Sanitary Services	17.4	17.5	17.3	-0.6	0.6
Wholesale Trade	99.1	98.2	99.1	0.9	0.0
Retail Trade	381.1	384.3	371.8	-0.8	2.5
General Merchandise	47.6	47.0	48.0	1.3	-0.8
Finance, Insurance and Real Estate	109.3	109.3	104.8	0.0	4.3
Banking	28.7	28.8	28.4	-0.3	1.1
Insurance	36.7	36.4	34.4	0.8	6.7
Service and Miscellaneous	433.7	435.8	419.4	-0.5	3.4
Hospitals	67.3	67.3	66.0	0.0	2.0
Private Education	24.1	22.6	24.7	6.6	-2.4
Government	330.7	322.7	330.4	2.5	0.1
State Government	84.1	82.5	85.5	1.9	-1.6
Local Government	218.3	212.1	217.1	2.9	0.6

UNITED STATES LABOR FORCE ESTIMATES OCTOBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	118,482	118,220	116,114	0.2	2.0
Employment	110,240	109,891	107,813	0.3	2.3
Unemployment	8,242	8,329	8,301	-1.0	-0.7
Unemployment Rate	7.0	7.0	7.0	–	–

MANUFACTURING EMPLOYMENT *(Unadjusted)* OCTOBER	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	519.2	527.4	519.6
All Manufacturing (Excluding Canning)	504.9	507.3	504.0
Durable Goods	312.6	315.9	315.9
Lumber and Wood Prod., (Except Furniture)	24.1	24.2	23.4
Sawmills and Planning Mills	3.2	3.3	3.3
Millwork, Veneer, Plywood & Prefab. Wood Prod.	11.7	11.7	11.0
Furniture and Fixtures	10.2	10.1	10.0
Household Furniture	4.3	4.2	4.1
Stone, Clay and Glass Products	8.6	8.4	8.3
Concrete, Gypsum and Plaster Products	4.5	4.4	4.3
Primary Metal Industries	18.3	19.0	19.1
Iron and Steel Foundries	9.8	10.2	10.3
Fabricated Metal Products	51.7	52.3	50.9
Heating Equipment (Except Electrical) & Plumbing Fixtures	6.1	6.0	6.0
Fabricated Structural Metal Products	11.9	12.1	12.8
Metal Stampings	10.8	11.0	10.8
Machinery (Except Electrical)	98.9	99.1	99.8
Engines and Turbines	19.2	18.7	18.1
Farm Machinery and Equipment	11.8	12.1	12.5
Const., Min. & Material Handling Mach. & Equip.	10.8	10.9	10.4
Metalworking Machinery and Equipment	11.1	11.2	11.7
Special Industry Machinery (Except Metalworking)	11.8	11.9	12.8
General Industrial Machinery and Equipment	13.6	13.6	13.4
Service Industry Machines	6.8	6.9	7.3
Electrical Machinery, Equipment and Supplies	49.8	49.7	49.7
Electrical Industrial Apparatus	16.8	16.7	17.3
Household Appliances	6.5	6.4	6.6
Transportation Equipment	29.4	31.7	33.1
Motor Vehicles and Equipment	21.4	23.5	26.0
Instruments and Related Products	11.5	11.6	11.5
Miscellaneous Manufacturing	10.1	10.0	10.1
Nondurable Goods	206.6	211.4	203.7
Food and Kindred Products	64.4	70.2	65.9
Meat Products	14.7	14.4	14.6
Dairy Products	17.0	17.3	17.4
Canning and Preserving	14.3	20.1	15.6
Bakery Products	4.5	4.3	4.2
Beverage Industries	7.5	7.6	7.9
Textile Mill Products	4.2	4.2	4.1
Knitting Mills	3.4	3.4	3.3
Apparel and Other Finished Products	6.9	7.0	6.6
Paper and Allied Products	49.1	49.1	48.3
Pulp and Paper Mills	29.8	29.8	29.5
Converted Paper and Paperboard Products	11.2	11.2	10.6
Paperboard Containers and Boxes	6.7	6.6	6.7
Printing, Publishing and Allied Industries	39.4	39.1	38.4
Newspapers	12.4	12.3	12.0
Commercial Printing	17.1	17.2	16.6
Chemicals and Allied Products	9.9	9.9	10.2
Rubber and Misc. Plastics Products	26.1	25.2	22.8
Miscellaneous Plastics Products	21.9	21.1	18.3
Leather and Leather Products	6.4	6.5	7.2
Leather Tanning and Finishing	1.5	1.5	1.8
Footwear (Except Rubber)	3.1	3.2	3.7
Other Nondurable Goods	-	-	-

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* OCTOBER	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$425	$427	$422	41.3	41.5	41.1
All Manufacturing (Excl. Canning)	431	437	429	41.5	41.7	41.3
Durable Goods	434	440	437	41.5	41.7	41.3
Lumber/Wood Prod. (Exc. Furn.)	350	361	310	41.5	42.4	40.8
Furniture and Fixtures	348	349	327	43.6	43.0	42.0
Stone, Clay and Glass Products	420	413	416	43.5	40.6	43.3
Primary Metal Industries	427	440	411	42.7	43.9	41.6
Iron and Steel Foundries	415	443	415	42.7	44.4	42.0
Fabricated Metal Products	416	410	408	40.7	40.3	40.2
Fab. Structural Metal Prod.	429	425	434	41.9	41.1	43.1
Metal Stampings	450	437	403	41.1	40.5	39.7
Machinery (Except Electrical)	482	484	485	41.7	42.0	41.8
Engines and Turbines	537	529	514	42.0	41.7	40.5
Farm Machinery and Equip.	537	538	549	41.8	42.0	42.5
Const. and Related Mach.	455	459	492	41.9	42.2	42.9
Metalworking Mach. and Equip.	514	520	520	42.4	42.8	42.0
Spec. Ind. Mach. (Exc. Metal) .	477	489	510	41.0	41.5	43.9
Gen. Industrial Mach. and Equip.	492	490	498	41.5	41.5	40.9
Electrical Mach., Equip. and Supp.	407	420	399	41.0	41.6	39.7
Electrical Industrial Apparatus	428	439	413	40.7	40.8	39.1
Transportation Equipment	550	559	602	41.6	41.6	43.2
Instruments and Related Prod.	338	340	344	38.6	39.0	38.9
Nondurable Goods	410	406	400	41.0	41.1	40.8
Food and Kindred Products	355	342	359	39.1	39.5	39.3
Meat Products	356	365	353	40.5	41.7	39.3
Dairy Products	394	407	397	40.4	41.2	41.1
Textile Mill Products	330	353	283	44.1	44.8	39.5
Apparel and Other Fin. Prod.	258	262	250	40.2	41.8	40.2
Paper and Allied Products	567	558	546	46.1	45.4	45.8
Pulp and Paper Mills	618	603	592	47.2	46.2	46.8
Printing, Pub. and Allied Prod.	424	441	407	38.4	38.8	38.1
Chemicals and Allied Products	457	465	443	40.4	40.7	40.5
Rubber and Misc. Plastics Prod.	325	334	324	39.8	40.5	39.4
Leather and Leather Products.	258	255	252	38.8	38.4	39.6

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* OCTOBER	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.28	10.28	10.27	9.84	9.83	9.88
All Manufacturing (Excl. Canning)	10.39	10.48	10.38	9.96	10.01	9.98
Durable Goods	10.46	10.55	10.57	10.08	10.41	10.21
Lumber/Wood Prod. (Exc. Furn.)	8.44	8.51	7.59	8.08	8.10	7.46
Furniture and Fixtures	7.99	8.12	7.78	7.75	7.74	7.47
Stone, Clay and Glass Products	9.65	10.18	9.60	9.23	9.83	9.30
Primary Metal Industries	10.00	10.03	9.89	9.56	9.52	9.49
Iron and Steel Foundries	9.71	9.97	9.88	9.34	9.47	9.56
Fabricated Metal Products	10.21	10.17	10.15	9.80	9.76	9.78
Fab. Structural Metal Prod.	10.25	10.35	10.08	9.81	9.89	9.58
Metal Stampings	10.96	10.80	10.14	10.51	10.42	9.90
Machinery (Except Electrical)	11.56	11.53	11.61	11.14	11.12	11.31
Engines and Turbines	12.78	12.69	12.68	12.22	12.18	12.35
Farm Machinery and Equip.	12.85	12.81	12.92	12.36	12.31	12.46
Const. and Related Mach.	10.85	10.88	11.48	10.56	10.56	11.25
Metalworking Mach. and Equip.	12.12	12.14	12.38	11.68	11.69	11.92
Spec. Ind. Mach. (Exc. Metal) .	11.63	11.79	11.61	11.16	11.24	10.98
Gen. Industrial Mach. and Equip.	11.86	11.80	12.17	11.52	11.48	11.88
Electrical Mach., Equip. and Supp.	9.93	10.10	10.04	9.72	9.79	9.75
Electrical Industrial Apparatus	10.51	10.75	10.55	–	10.60	10.28
Transportation Equipment	13.21	13.44	13.94	12.57	12.82	13.25
Instruments and Related Prod.	8.76	8.73	8.84	8.57	8.53	8.75
Nondurable Goods	10.00	9.87	9.81	9.48	9.35	9.34
Food and Kindred Products	9.08	8.67	9.14	8.58	8.21	8.71
Meat Products	8.79	8.75	8.99	8.50	8.41	8.63
Dairy Products	9.75	9.88	9.65	9.13	9.23	9.21
Textile Mill Products	7.49	7.89	7.17	7.12	7.50	6.96
Apparel and Other Fin. Prod.	6.41	6.26	6.22	6.22	6.03	6.07
Paper and Allied Products	12.29	12.29	11.93	11.70	11.69	11.31
Pulp and Paper Mills	13.09	13.05	12.65	12.52	12.46	12.03
Printing, Pub. and Allied Prod.	11.03	11.37	10.67	–	–	–
Chemicals and Allied Products	11.32	11.43	10.95	11.06	11.15	10.65
Rubber and Misc. Plastics Prod.	8.17	8.24	8.22	7.88	7.89	7.97
Leather and Leather Products.	6.64	6.64	6.37	6.48	6.47	6.19

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* OCTOBER	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$396	$399	$390	40.7	41.0	40.8	9.73	9.73	9.56	–	–
Wisconsin	425	427	422	41.3	41.5	41.1	10.28	10.28	10.27	9.84	9.83
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	433	440	436	42.0	42.4	43.2	10.30	10.38	10.10	9.84	9.87
Beloit (City)	411	422	393	40.1	40.9	42.1	10.26	10.32	9.34	–	–
Eau Claire (Eau Claire-Chippewa)	421	430	431	40.3	40.8	42.0	10.45	10.53	10.26	10.22	10.23
Fond du Lac (County)	389	404	390	41.3	43.9	40.2	9.42	9.20	9.70	8.86	8.56
Green Bay (Brown County)	470	460	473	42.4	42.0	42.8	11.09	10.95	11.04	10.47	10.37
Janesville (City)	528	562	620	42.5	41.9	43.9	12.43	13.41	14.13	11.71	12.87
Janesville-Beloit (Rock County)	473	508	530	41.9	41.5	43.0	11.29	12.24	12.33	10.43	11.61
Kenosha (County)	459	446	470	40.4	40.7	39.3	11.35	10.96	11.97	10.90	10.36
La Crosse (County)	357	359	354	39.5	39.5	39.5	9.04	9.08	8.95	8.65	8.72
Madison (Dane County)	407	401	393	41.6	41.4	40.7	9.79	9.69	9.65	9.34	9.22
Manitowoc (County)	370	357	352	39.9	38.5	39.0	9.28	9.28	9.02	8.95	9.01
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	476	478	469	41.1	41.0	40.8	11.59	11.65	11.50	11.05	11.07
Racine (County)	427	438	425	39.5	40.6	40.1	10.80	10.80	10.61	10.55	10.53
Sheboygan (County)	386	392	372	41.2	41.4	39.8	9.38	9.48	9.34	9.07	9.08
Wausau (Marathon County)	413	423	407	42.8	43.3	41.6	9.65	9.78	9.78	9.28	9.35

EMPLOYMENT, MFG. *(Unadjusted)* OCTOBER	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,245.0	19,297.0	19,355.0	-0.3	-0.6
Wisconsin	519.2	527.4	519.6	-1.6	-0.1
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	49.9	50.5	49.9	-1.2	0.0
Beloit (City)	4.5	4.5	5.4	0.0	-16.7
Eau Claire (Eau Claire-Chippewa)	10.1	10.0	9.5	1.0	6.3
Fond du Lac (County)	10.8	10.9	9.9	-0.9	9.1
Green Bay (Brown County)	24.2	24.9	24.3	-2.8	-0.4
Janesville (City)	7.7	11.0	10.9	-30.0	-29.4
Janesville-Beloit (Rock County)	14.2	17.4	18.3	-18.4	-22.4
Kenosha (County)	11.3	9.8	12.2	15.3	-7.4
La Crosse (County)	10.6	10.6	11.0	0.0	-3.6
Madison (Dane County)	21.8	21.8	21.5	0.0	1.4
Manitowoc (County)	12.1	12.7	11.4	-4.7	6.1
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	170.9	170.8	169.9	0.1	-0.6
Racine (County)	23.3	23.1	24.2	0.9	-3.7
Sheboygan (County)	18.7	18.6	18.4	0.5	1.6
Wausau (Marathon County)	11.2	11.3	11.1	-0.9	0.9

WISCONSIN'S ECONOMIC OUTLOOK

by David H. Peterson and Gene Schubert

Department of Revenue

The major factors which are expected to influence the direction of the economy in the two years are a slowing of consumer demands balanced by a slowly improving foreign trade outlook. Other sectors of the economy--business investment and government spending--are expected to be relatively weak over the near-term.

If the following events were to occur, they would be viewed as potential warning signs which should be monitored carefully: (1) Greater-than-expected consumer retrenchment associated with either continued high-debt burdens or responses to the tax reform package recently passed; (2) No improvement in the U.S. balance of trade because of a weak response to exports to a more competitive dollar; and (3) General credit stringency on the part of the Federal Reserve in response to perceived inflationary pressures or international liquidity conditions.

Of course, the chances of a better outlook are also present. This could be realized by a genuine export boom with continued growth in consumer outlays in the 3.0 percent to 4.0 percent range and a further drop in oil prices. But given the anti- inflationary concerns of the Federal Reserve, monetary policy would probably be tightened if real growth exceeded 3.0 percent for an extended period.

For the past two years, consumption has risen more than disposable income and has resulted in lower than normal savings rates. This fact alone would suggest that consumers will want to realign their spending patterns in the future. Recent events--automobile financing incentives and the passage of the federal tax reform package- have had the effect of pushing forward some of next year's spending, especially for higher priced consumer durables. Consequently real consumer spending in 1987 is expected to grow by 2.2 percent, somewhat less than the 3.5 percent and 3.9 percent rates of growth experienced during 1985 and 1986.

Real business fixed investment is expected to decline both this year and next. Current weakness is apparent in nonresidential construction as the market adjusts to high vacancy rates. Tax reform is expected to further depress construction activity next year. Some large increases in producers' durable equipment are expected in the last half of this year, but this bulge in capital spending will very likely represent "buy-in-advance" behavior; tax reform and special auto loan rates have led to an acceleration of spending into the third and fourth quarters of 1986 at the expense of early next year. Real business fixed investment is expected to decline by 0.7 percent this year and by 1.6 percent in 1987.

There will likely be a modest recovery in business capital spending in 1988 in response to increased profits, but the longer term effects of tax reform on corporate finances is likely to be detrimental to capital spending plans. Growth in real business fixed investment is expected to be 4.9 percent in 1988.

Federal government spending is expected to be an area of weakness in the economy in the forecast period. The fiscal 1987 federal government budget is one with considerable spending restraint. Nominal spending is budgeted to increase by only 0.8 percent. Although the current forecast assumes spending will actually increase 2.7 percent, this still represents a budget with no growth in real spending. With a growing economy, and a windfall gain in revenues from tax reform, the deficit for fiscal 1987 should decline to $177 billion deficit from $220 billion in fiscal 1986.

The deficit picture for fiscal 1988 and beyond is less bright. Attainment of the Gramm-Rudman targets for 1988 and beyond will be extremely difficult. Nonetheless, the pressure for spending restraint will remain. Real federal government spending is forecast to decline by 0.4 percent in fiscal 1988 and the deficit is projected to fall to $161 billion.

Compared with a year ago, total merchandise exports are 7.7 percent higher in volume and 3.8 percent lower in price; total value is thus up 3.7 percent. While the most recent months of trade data are a slender reed upon which to build a forecast, the decline of the dollar over the past year and recent efforts by Japan and Germany to lower their interest rates to stimulate their economies are key factors which point to a gradual turn-around in the U.S. trade situation. The current forecast calls for double-digit real export growth to continue throughout all of 1987, resulting in real exports 11.2 percent higher in 1987, followed by a growth rate of 10.2 percent in 1988.

Import growth should slow appreciably, stemming from the slower growth in U.S. consumer and business spending and the gradually increasing price disadvantage of imports due to the fall of the dollar. The reduction in the U.S. merchandise trade balance is forecast to be slow, however; moving from a deficit to $147 billion this year to a deficit of $121 billion by 1989.

Price and wage increased over the next two years are likely to remain modest with some upward pressure coming from the decline of the dollar and expected import price adjustments. Recent inflationary fears appear to stem from rising precious metal prices and the appearance of short-term harmony among OPEC producers to shore up oil prices. These are special factors which are not likely to have a fundamental impact on the basic trend of prices. As for oil, even if the current world glut could be worked off quickly, OPEC producers will have so much excess capacity relative to world oil demand that price increases cannot be justified solely on economic fundamentals. Political instability in the Persian Gulf region is the highest risk factor for oil prices, but a forecast of oil prices in the $17-20 per barrel range is prudent for the next three years.

A much more important factor in the assessment of inflation for the next three years is the declining value of the dollar. After falling 17.0 percent in 1986, the current forecast assumes that the dollar will continue to fall by 5-10 percent in each of the next three years. Since non-oil imports now capture 23.0 percent of domestic spending on consumer and producer goods, the weaker dollar will have a strong impact on inflation. Prices of imported goods will rise more rapidly than the prices of domestically produced goods. The pickup in inflation will continue to be restrained by wage gains, which have continually slowed, and are expected to remain very modest over the next three years.

Inflation in the consumer sector is expected to be 3.5 percent in 1987, rising to 4.5 percent in 1988. Average hourly earnings for non-farm workers are expected to show modest gains of 2.3 percent in 1987 and 3.3 percent in 1988.

The Federal Reserve is assumed to postpone another discount rate cut until early next year. Short-term interest rates should thus remain stable for the next few months before continuing to ease slightly again next year.

Wisconsin Outlook

The current forecast for the Wisconsin economy is for continued slow but steady growth in both employment and income. The Wisconsin forecast closely mirrors the U.S. forecast with most of the job growth occurring in the trade and service sectors, and wage rate increases constrained by low inflation historically high unemployment, and continuing foreign competition. These factors produce a forecast of growth rates in personal income which are modest, reflecting the disinflationary trend of recent years.

Wisconsin employment is forecast to grow steadily through the forecast period at rates between 1.4 percent and 1.9 percent, which is consistent with the rate experienced over the last two years. The composition of employment growth is also expected to follow recent patterns with the majority of new jobs being created in the trade and service sectors. Employment growth in manufacturing is expected to be weak but somewhat above the even weaker U.S. average. Construction employment is forecast to decline in 1987. Government employment, which will be under increasing budget cutting pressure, is also expected to decline.

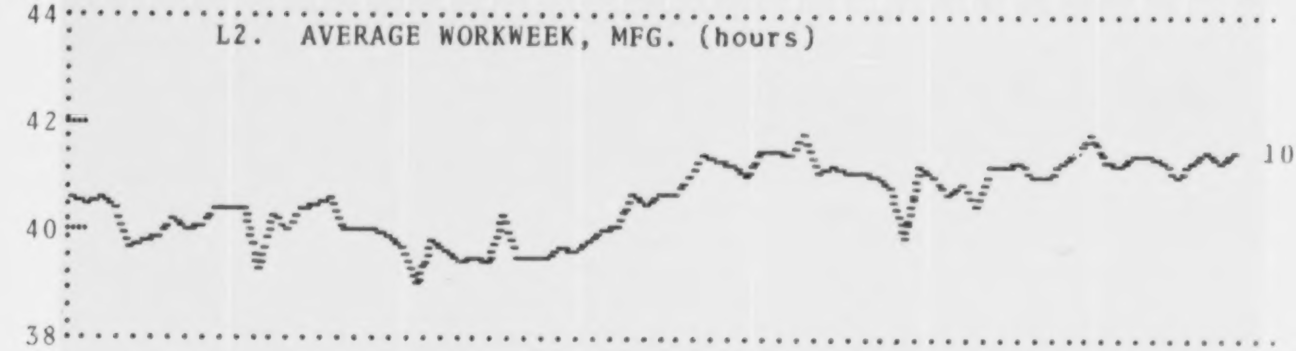
Wisconsin manufacturing employment is forecast to benefit from the decline in the dollar, but only modestly. The expansion of employment in motor vehicle manufacturing in early 1987 is expected to offset near term weakness in the durable goods sector. Subsequently, growth in exports is expected to provide sufficient growth in output to stimulate employment increases through the middle of 1988. Nondurable manufacturing employment is expected to grow about 1.5 percent annually through the forecast period, with above average growth forecast for the paper and printing and publishing industries.

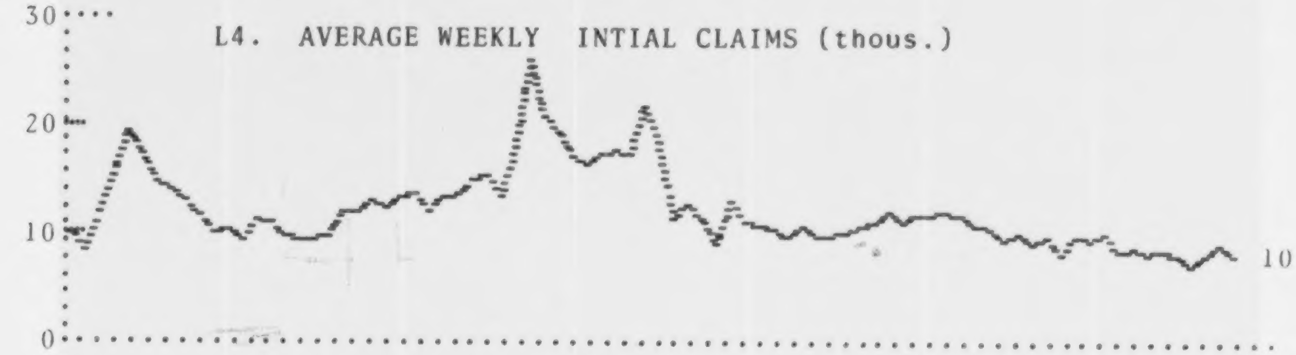
(continued on back cover)

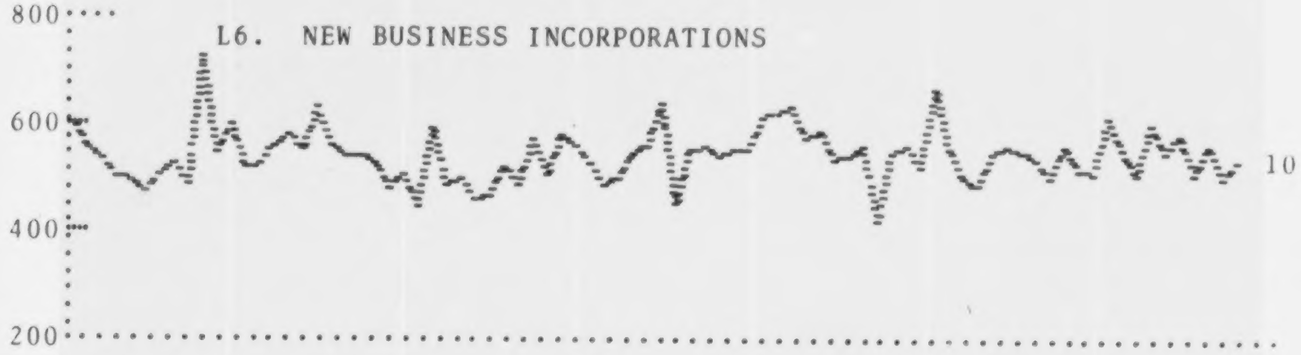
WISCONSIN EMPLOYMENT FORECAST
(Thousands of Workers, Annual Average)

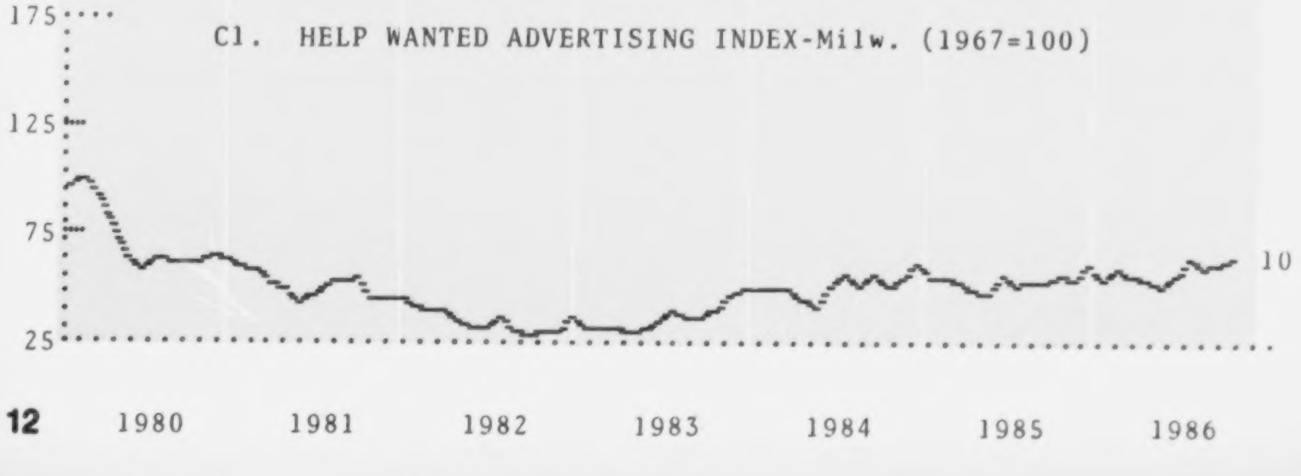
	1985	1986	1987	1988	1989
MANUFACTURING	514.9	516.6	518.6	525.5	528.2
DURABLES	315.5	314.9	315.9	319.0	318.6
LUMBER PRODUCTS	22.6	23.5	23.0	22.9	22.7
STONE, CLAY, GLASS	7.8	8.0	7.7	7.7	7.8
PRIMARY METALS	19.3	18.9	18.8	19.1	19.0
FABRICATED METALS	51.4	51.8	51.6	52.5	52.7
NON-ELECT. MACHINERY	100.1	100.2	98.6	99.4	99.8
ELECTRICAL MACHINERY	50.2	49.5	49.8	51.0	51.8
TRANS. EQUIPMENT	32.8	31.5	34.7	34.3	32.6
OTHER DURABLES	31.4	31.6	31.7	32.0	32.2
NONDURABLES	199.4	201.7	202.7	206.5	209.7
FOOD PRODUCTS	62.5	61.7	61.1	61.2	61.3
PAPER PRODUCTS	48.1	48.9	49.9	50.8	51.2
PRINTING & PUBLISHING	38.2	39.0	39.9	41.9	43.4
CHEMICALS	10.0	9.9	10.4	10.8	11.2
RUBBER & PLASTICS	22.6	24.6	24.6	24.7	25.4
OTHER NONDURABLES	18.1	17.6	16.9	17.1	17.2
MINING	2.2	2.5	2.4	2.1	1.9
CONSTRUCTION	62.8	64.8	62.8	62.9	62.9
TRANS., COMM., UTILITIES	93.7	94.7	95.3	96.9	97.8
FINANCE, INSUR., REAL EST.	104.2	107.8	110.9	113.7	117.3
TRADE	462.5	471.6	482.2	492.4	501.2
SERVICES	415.2	427.7	443.3	462.6	484.5
GOVERNMENT	322.2	327.2	325.9	324.4	323.5
TOTAL EMPLOYMENT (Nonfarm)	1977.5	2012.8	2041.4	2080.4	2117.4

CYCLICAL INDICATORS









Section

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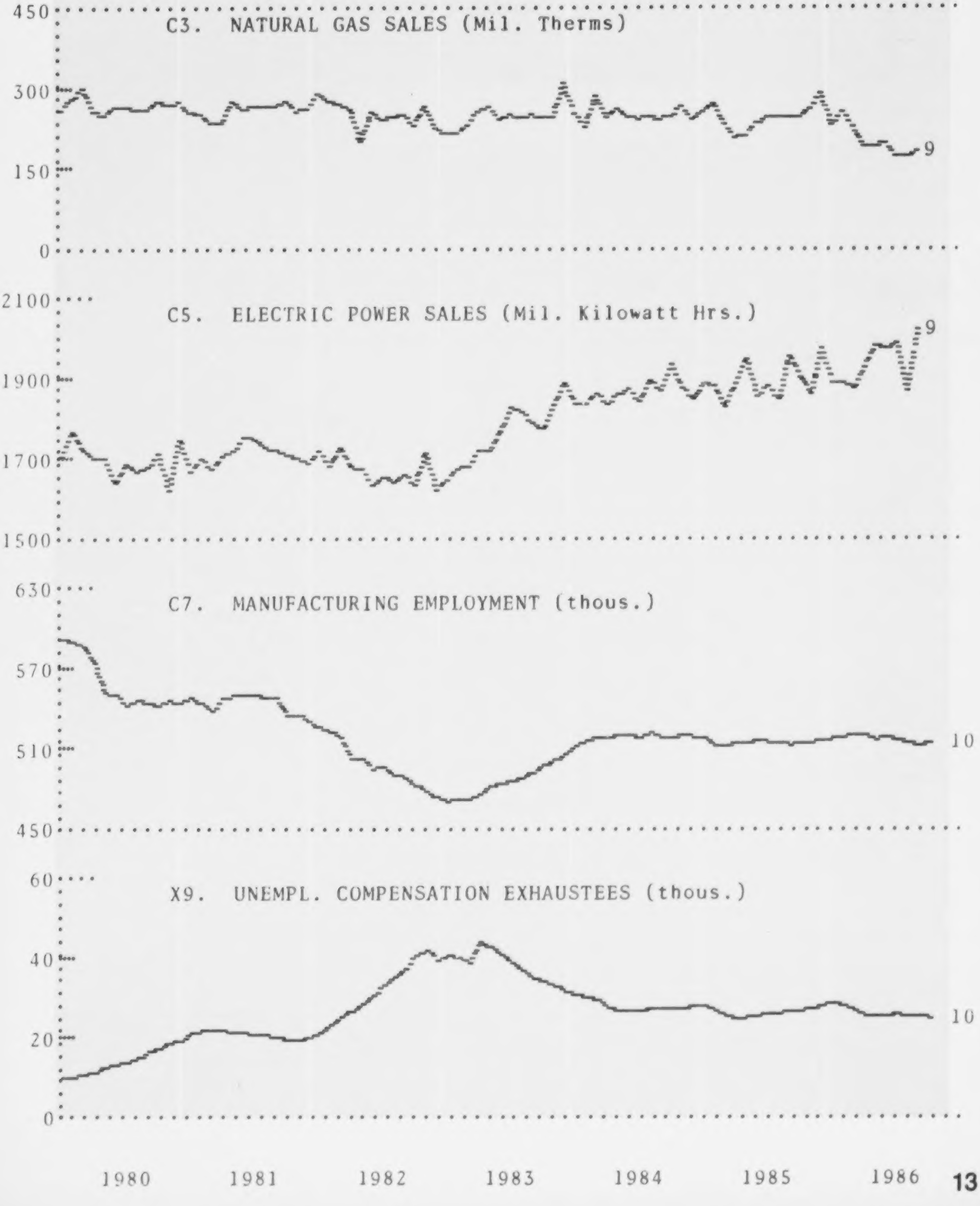
CYCLICAL INDICATORS



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(continued from page 10)

Given the modest growth in employment and relatively low inflation, personal income is forecast to grow slowly. Wage rate increases in the low inflation environment, with continuing pressure from foreign competitors, are expected to be in the 3.0 percent range. This, combined with employment increases in the 1.4 percent to 1.9 percent range, would produce wage gains of about 5.0 percent annually. Most other sources of income are also expected to grow at about 5.0 percent. One exception is farm income which is expected to stagnate at current levels.

The overall pattern, therefore, shows nominal personal income growing at about 5.0 percent during the forecast period. This is a relatively low rate of growth, viewed in the context of the last 15 years. The major explanatory factor is low inflation. Real income is expected to grow at about 1.0 percent annually in the 1987 to 1989 period. Real growth in 1986 is estimated at 2.0 percent. The higher rate in 1986 is almost entirely attributable to the decline in oil prices.

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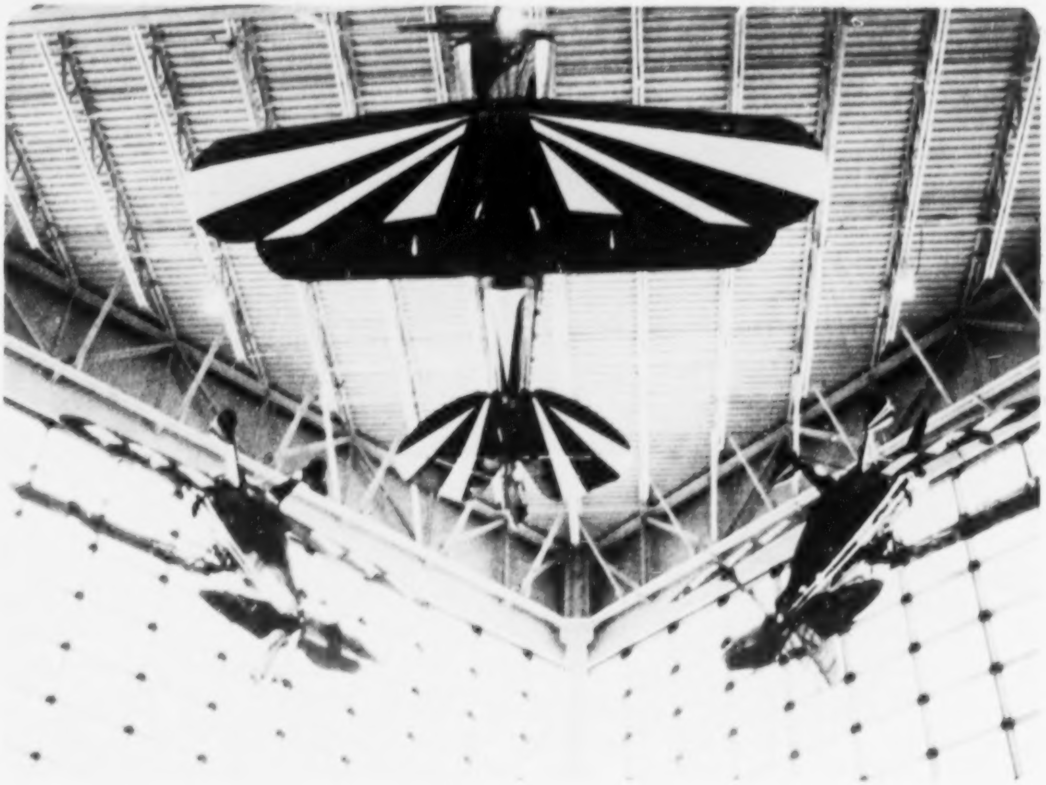
WISCONSIN ECONOMIC INDICATORS

DECEMBER 1986



DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

COVER PHOTO: Courtesy of Wisconsin Division of Tourism.

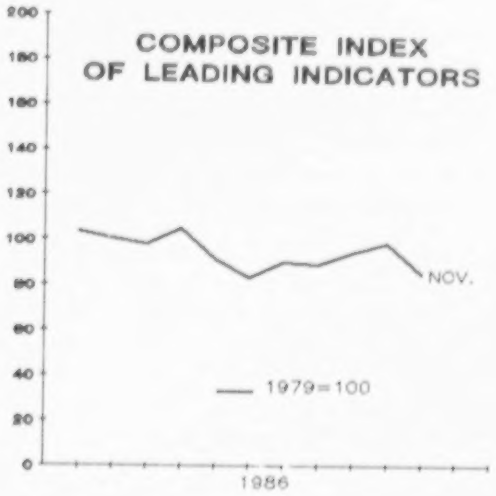
THE WISCONSIN ECONOMY

SUMMARY FOR NOVEMBER

COMPOSITE INDEX

The Composite Index of Leading Indicators plunged nearly fourteen points in November. The month's 84.1 figure is not the lowest of the year, but the index had been steadily increasing since a low in June. The large drop does not necessarily signal a change of economic conditions; a series of three or four months consecutive declines is needed for positive identification of recession.

Most, but not all, of the leading indicators of Wisconsin's economic activity declined in November, and it was the combination of decreases that propelled the index into this month's dive.


COMPOSITE INDEX OF LEADING INDICATORS

LEADING INDICATORS

For production workers in Wisconsin manufacturing industries, the average workweek increased by half an hour. The November increase of weekly hours on the job is seasonally normal. Part of the average workweek growth is due to increased overtime. Overtime hours usually do increase now, but this November's growth slightly surpasses the normal seasonal trend.

Coupled with the longer workweek was a growth of manufacturing employment, and that is unusual for November.

The average number of initial claims for unemployment compensation increased by over 43 hundred in November, an increase in about double the normal seasonal pattern. Until November, the weekly claims average had been maintaining a level below comparable months of one year ago. November's average is 235 above the year earlier level...not a large difference.

The total number of job openings received by Job Service offices throughout the state declined by 49 hundred this November. Calls for workers usually are scarcer than in the previous month, but November's decrease is a much larger than normal drop. However, the previous month's worker-recruitment number was unusually high. A normal November decrease would be about fifteen hundred.

New business incorporations throughout the state numbered 399 and that's extraordinary. Monthly incorporations have not amounted to less than four hundred since 1976. A decrease of incorporation in November is common, but the extent of the drop this month was unexpected.

The number of building plans examined in November decreased by 264 from one month earlier. While that seems like a large decrease, October is, historically, the month with the greatest number of plans examined; thus, a significant October to November decline is typical. The commercial and industrial building plans examined foreshadow future construction activity.

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1985
LEADING INDICATORS							
L1 COMPOSITE INDEX OF LEADING INDICATORS							
Seasonally Adjusted	INDEX	84.1 Nov	97.9	93.0	-14.1	-9.6	8.43
L2 AVG. WORK WEEK, MFG.							
Unadjusted	HOURS	41.8 Nov	41.3	41.8	1.2	0.0	41.1
Seasonally Adjusted		41.5	41.5	41.5	0.0	0.0	
L3 AVG. OVERTIME HOURS, MFG.							
Unadjusted	HOURS	3.8 Nov	3.6	3.6	5.6	5.6	3.3
Seasonally Adjusted		3.7	3.6	3.5	2.8	5.7	
L4 AVG. WEEKLY INITIAL CLAIMS							
Unadjusted	NUMBER	12,372 Nov	8,069	12,137	53.3	1.9	10,380
Seasonally Adjusted		10,100	8,217	9,905	22.9	2.0	
L5 TOTAL JOB OPENINGS REC.							
Unadjusted	NUMBER	6,006 Nov	10,905	7,683	-44.9	-21.8	8,228
Seasonally Adjusted		7,083	11,060	9,063	-36.0	-21.8	
L6 NEW BUSINESS INCORPORATIONS							
Unadjusted	NUMBER	399 Nov	537	503	-25.7	-20.7	542
Seasonally Adjusted		412	534	519	-22.8	-20.6	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES							
Unadjusted	NUMBER	-282 Nov	355	3,380	-179.4	-108.3	1,356
Seasonally Adjusted		1,289	1,614	1,826	-20.1	-29.4	
L8 BUILDING PLANS EXAMINED							
Unadjusted	NUMBER	546 Nov	810	617	-32.6	-11.5	526
Seasonally Adjusted		515	583	582	-11.7	-11.5	
ROUGHLY COINCIDING INDICATORS							
C1 HELP-WANTED INDEX (MILW.)							
Seasonally Adjusted	INDEX	67 Nov	65	56	3.1	19.6	55
C2 UNEMPLOYMENT RATE, TOTAL							
Unadjusted	PERCENT	6.6 Nov	6.4	6.7	-	-	7.2
Seasonally Adjusted		7.1	7.4	7.2	-	-	
C3 NATURAL GAS SALES							
Unadjusted	MIL. THERMS	152.9 Oct	93.6	186.5	63.4	-18.0	252.9
Seasonally Adjusted		201.7	181.4	246.1	11.2	-18.0	
C4 NEW CAR REGISTRATIONS							
Unadjusted	NUMBER	11,814 Nov	26,085	11,980	-54.7	-1.4	16,697
Seasonally Adjusted		13,614	23,281	13,800	-41.5	-1.3	
C5 ELECTRIC POWER SALES							
Unadjusted	MIL. KWH	2020.6 Oct	1986.1	1934.6	1.7	4.4	1893.9
Seasonally Adjusted		1990.7	2020.4	1906.2	1.5	4.4	
C6 TOTAL SECURITIES REGISTRATIONS							
Unadjusted	MIL. DOL	92.5 Nov	154.8	111.3	-40.2	-16.9	131.3
Seasonally Adjusted		68.8	174.1	82.8	-60.5	-16.9	

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1985
C7 MANUFACTURING EMPL.							
Unadjusted	THOUS	519.6 Nov	517.6	516.3	0.4	0.6	515.2
Seasonally Adjusted		519.1	513.0	515.6	1.2	0.7	
C8 AVG. WEEKLY EARNINGS, MFG.							
Unadjusted	DOLLARS	437.23 Nov	426.63	435.14	2.5	0.5	421.57
Seasonally Adjusted		431.19	431.38	428.93	-0.0	0.5	
C9 CASH RECEIPTS FROM FARM MKTG.							
Unadjusted	MIL DOL	445.3 Sep	424.2	435.8	5.0	2.2	421.0
Seasonally Adjusted		445.7	419.6	436.4	6.2	2.1	
C10 CONTRACT CONSTRUCTION EMPL.							
Unadjusted	THOUS	68.7 Nov	71.1	67.5	-3.4	1.8	62.8
Seasonally Adjusted		63.5	63.0	62.4	0.8	1.8	
OTHER KEY INDICATORS							
X1 BIRTH REGISTRATIONS							
Unadjusted	NUMBER	5,338 Nov	6,234	6,219	-14.4	-14.2	6,141
Seasonally Adjusted		5,911	6,185	6,889	-4.4	-14.2	
X2 DEATH REGISTRATIONS							
Unadjusted	NUMBER	3,255 Nov	3,351	3,611	-2.9	-9.9	3,475
Seasonally Adjusted		3,377	3,440	3,747	-1.8	-9.9	
X3 NATURAL NET GAIN POPULATION							
Unadjusted	NUMBER	2,083 Nov	2,883	2,608	-27.7	-20.1	2,666
Seasonally Adjusted		2,364	2,761	2,961	-14.4	-20.2	
X4 MARRIAGE REGISTRATIONS							
Unadjusted	NUMBER	2,705 Nov	4,460	2,763	-39.4	-2.1	3,360
Seasonally Adjusted		3,138	3,776	3,207	-16.9	-2.2	
X5 CONSUMER PRICE INDEX (MILW.)			(Jul)				
Unadjusted	INDEX	332.9 Sep	331.3	332.4	0.5	0.2	330.5
X6 PRICES RECEIVED BY FARMERS							
Unadjusted	INDEX	137 Nov	136	132	0.7	3.8	133
Seasonally Adjusted		137	136	132	0.7	3.8	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES							
Unadjusted	NUMBER	3,992 Nov	2,389	3,246	67.1	23.0	1,615
Seasonally Adjusted		1,534	1,643	1,380	-6.6	11.2	
X8 LABOR DISPUTES, NO. OF WORKERS							
Unadjusted	NUMBER	470 Nov	470	683	0.0	-31.2	450
Seasonally Adjusted		656	239	893	174.5	-26.5	
X9 UNEMPL. COMPENSATION EXHAUSTEES	NUMBER						
Unadjusted		22,581 Nov	23,738	24,767	-4.9	-8.8	26,616
Seasonally Adjusted		25,202	25,280	27,641	-0.3	-8.8	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES NOVEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2448.5	2439.7	2386.3	0.4	2.6
Employment (Inc. Labor Disputes)	2286.8	2283.5	2227.2	0.1	2.7
Unemployment	161.6	156.1	159.0	3.5	1.6
Unemployment Rate	6.6	6.4	6.7	–	–
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2450.1	2436.7	2388.3	0.5	2.6
Employment (Inc. Labor Disputes)	2275.4	2256.4	2216.3	0.8	2.7
Unemployment	174.7	180.3	172.0	-3.1	1.6
Unemployment Rate	7.1	7.4	7.2	–	–

WISCONSIN EMPLOYMENT ESTIMATES NOVEMBER	(In Thousands)			Pct. Chg	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2049.5	2046.0	2009.3	0.2	2.0
Unadjusted					
Manufacturing	519.3	517.3	516.3	0.4	0.6
Mining	2.7	2.9	2.4	-6.9	12.5
Contract Construction	68.7	71.1	67.5	-3.4	1.8
Transportation and Public Utilities	97.0	97.4	95.2	-0.4	1.9
Elec., Gas and Sanitary Services	17.4	17.4	17.2	0.0	1.2
Wholesale Trade	99.4	99.0	99.3	0.1	0.1
Retail Trade	383.7	381.7	372.8	0.5	2.9
General Merchandise	49.9	48.0	50.1	4.0	-0.4
Finance, Insurance and Real Estate	109.6	109.5	104.9	0.1	4.5
Banking	28.7	28.7	28.4	0.0	1.1
Insurance	37.0	36.7	34.6	0.8	6.9
Service and Miscellaneous	431.3	433.8	417.7	-0.6	3.3
Hospitals	67.5	67.3	65.9	0.3	2.4
Private Education	24.2	24.1	24.7	0.4	-2.0
Government	337.8	333.5	333.4	1.3	1.3
State Government	87.0	86.6	86.7	0.5	0.3
Local Government	222.3	218.5	219.1	1.7	1.5

UNITED STATES LABOR FORCE ESTIMATES NOVEMBER	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	118,654	118,482	116,130	0.1	2.3
Employment	110,371	110,240	107,969	0.1	2.2
Unemployment	8,283	8,242	8,161	0.5	1.5
Unemployment Rate	7.0	7.0	7.0	–	–

MANUFACTURING EMPLOYMENT ***(Unadjusted)*** NOVEMBER	**(In Thousands)**		
	Latest Month	**Month Ago**	**Year Ago**
All Manufacturing (Including Canning)	519.3	517.3	516.3
All Manufacturing (Excluding Canning)	509.7	505.4	506.0
Durable Goods	315.9	312.9	317.6
Lumber and Wood Prod., (Except Furniture)	23.7	24.0	23.2
Sawmills and Planning Mills	3.2	3.2	3.2
Millwork, Veneer, Plywood & Prefab. Wood Prod.	11.5	11.6	10.9
Furniture and Fixtures	10.4	10.4	10.1
Household Furniture	4.3	4.3	4.3
Stone, Clay and Glass Products	8.5	8.6	8.2
Concrete, Gypsum and Plaster Products	4.4	4.5	4.3
Primary Metal Industries	18.4	18.2	18.8
Iron and Steel Foundries	9.9	9.8	10.0
Fabricated Metal Products	51.6	51.7	51.4
Heating Equipment (Except Electrical) & Plumbing Fixtures	6.2	6.1	5.9
Fabricated Structural Metal Products	11.8	11.9	12.7
Metal Stampings	10.8	10.8	10.9
Machinery (Except Electrical)	98.8	99.1	101.2
Engines and Turbines	19.5	19.2	18.6
Farm Machinery and Equipment	12.1	11.9	12.5
Const., Min. & Material Handling Mach. & Equip.	10.8	10.8	11.1
Metalworking Machinery and Equipment	11.1	11.2	11.8
Special Industry Machinery (Except Metalworking)	11.7	11.9	12.8
General Industrial Machinery and Equipment	13.6	13.6	13.6
Service Industry Machines	6.6	6.8	7.4
Electrical Machinery, Equipment and Supplies	49.9	49.8	49.8
Electrical Industrial Apparatus	16.6	16.8	17.6
Household Appliances	6.4	6.5	6.4
Transportation Equipment	33.1	29.5	33.5
Motor Vehicles and Equipment	24.9	21.4	26.2
Instruments and Related Products	11.4	11.5	11.4
Miscellaneous Manufacturing	10.1	10.1	9.9
Nondurable Goods	203.4	204.4	198.7
Food and Kindred Products	60.5	62.0	60.9
Meat Products	14.8	14.7	14.6
Dairy Products	17.3	17.1	17.4
Canning and Preserving	9.6	11.9	10.3
Bakery Products	4.6	4.5	4.3
Beverage Industries	7.7	7.5	7.9
Textile Mill Products	4.0	4.2	4.1
Knitting Mills	3.2	3.4	3.2
Apparel and Other Finished Products	6.9	6.9	6.5
Paper and Allied Products	49.2	49.1	48.3
Pulp and Paper Mills	29.8	29.7	29.6
Converted Paper and Paperboard Products	11.3	11.3	10.6
Paperboard Containers and Boxes	6.7	6.7	6.6
Printing, Publishing and Allied Industries	39.6	39.4	38.5
Newspapers	12.6	12.5	12.1
Commercial Printing	17.1	17.1	16.7
Chemicals and Allied Products	9.8	9.9	10.0
Rubber and Misc. Plastics Products	26.5	26.1	23.0
Miscellaneous Plastics Products	22.1	21.8	18.6
Leather and Leather Products	6.7	6.5	7.1
Leather Tanning and Finishing	1.6	1.5	1.8
Footwear (Except Rubber)	3.3	3.2	3.7
Other Nondurable Goods	–	–	–

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* NOVEMBER	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$437	$427	$435	41.8	41.3	41.8
All Manufacturing (Excl. Canning)	441	431	439	41.9	41.4	41.9
Durable Goods	446	434	448	42.0	41.4	42.0
Lumber/Wood Prod. (Exc. Furn.)	343	350	316	41.2	41.4	41.5
Furniture and Fixtures	339	345	326	42.9	43.4	41.7
Stone, Clay and Glass Products	406	422	411	42.7	41.3	42.7
Primary Metal Industries	440	428	431	43.5	42.9	42.8
Iron and Steel Foundries	439	415	445	44.3	42.7	43.5
Fabricated Metal Products	421	414	419	41.0	40.6	40.8
Fab. Structural Metal Prod.	448	431	445	43.3	42.0	43.8
Metal Stampings	444	453	416	40.7	41.3	40.4
Machinery (Except Electrical)	503	482	498	43.0	41.7	42.7
Engines and Turbines	587	538	537	44.6	42.1	41.9
Farm Machinery and Equip.	545	537	547	41.8	41.4	42.0
Const. and Related Mach.	467	455	495	43.2	41.9	44.2
Metalworking Mach. and Equip.	513	517	547	42.8	42.7	43.7
Spec. Ind. Mach. (Exc. Metal) .	489	475	515	41.6	41.0	44.4
Gen. Industrial Mach. and Equip.	493	491	501	41.6	41.4	41.2
Electrical Mach., Equip. and Supp.	415	412	405	41.7	41.2	40.1
Electrical Industrial Apparatus	435	428	413	41.2	40.7	39.4
Transportation Equipment	564	546	614	41.8	41.4	44.0
Instruments and Related Prod.	350	336	362	39.9	38.5	40.5
Nondurable Goods	425	414	415	41.5	41.1	41.5
Food and Kindred Products	388	365	384	40.1	39.4	40.3
Meat Products	369	354	380	41.5	40.3	42.1
Dairy Products	409	394	392	41.0	40.4	40.8
Textile Mill Products	341	330	297	44.7	44.1	40.4
Apparel and Other Fin. Prod.	253	258	248	39.5	40.3	39.6
Paper and Allied Products	576	574	551	46.3	46.3	46.2
Pulp and Paper Mills	621	623	590	47.0	47.4	46.8
Printing, Pub. and Allied Prod.	426	421	434	38.5	38.4	39.6
Chemicals and Allied Products	478	457	450	41.7	40.4	41.6
Rubber and Misc. Plastics Prod.	328	325	333	40.3	39.8	40.3
Leather and Leather Products.	253	251	244	38.4	37.7	38.2

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* NOVEMBER	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.46	10.33	10.41	10.00	9.90	9.97
All Manufacturing (Excl. Canning)	10.52	10.41	10.47	10.06	9.99	10.03
Durable Goods	10.61	10.48	10.66	10.19	10.11	10.26
Lumber/Wood Prod. (Exc. Furn.)	8.33	8.45	7.62	8.03	8.10	7.47
Furniture and Fixtures	7.91	7.94	7.81	7.73	7.72	7.47
Stone, Clay and Glass Products	9.50	10.21	9.62	9.23	9.83	9.36
Primary Metal Industries	10.11	9.97	10.08	9.71	9.55	9.63
Iron and Steel Foundries	9.92	9.71	10.23	9.54	9.34	9.85
Fabricated Metal Products	10.27	10.20	10.28	9.88	9.81	9.90
Fab. Structural Metal Prod.	10.35	10.25	10.16	9.85	9.81	9.70
Metal Stampings	10.92	10.98	10.29	10.58	10.51	9.99
Machinery (Except Electrical)	11.69	11.56	11.67	11.18	11.15	11.29
Engines and Turbines	13.16	12.79	12.82	12.30	12.22	12.34
Farm Machinery and Equip.	13.05	12.96	13.02	12.59	12.46	12.59
Const. and Related Mach.	10.81	10.85	11.21	10.52	10.56	10.93
Metalworking Mach. and Equip.	11.98	12.11	12.52	11.57	11.66	11.85
Spec. Ind. Mach. (Exc. Metal) .	11.75	11.59	11.59	11.28	11.13	10.94
Gen. Industrial Mach. and Equip.	11.84	11.87	12.15	11.52	11.54	11.83
Electrical Mach., Equip. and Supp.	9.96	9.99	10.10	9.71	9.77	9.80
Electrical Industrial Apparatus	10.55	10.51	10.48	10.50	–	10.22
Transportation Equipment	13.50	13.19	13.96	12.83	12.60	13.26
Instruments and Related Prod.	8.78	8.73	8.93	8.63	8.56	8.79
Nondurable Goods	10.23	10.08	10.01	9.70	9.58	9.49
Food and Kindred Products	9.67	9.27	9.53	9.14	8.82	9.04
Meat Products	8.89	8.79	9.03	8.50	8.49	8.49
Dairy Products	9.98	9.75	9.62	9.44	9.30	9.18
Textile Mill Products	7.62	7.49	7.34	7.25	7.13	7.13
Apparel and Other Fin. Prod.	6.40	6.41	6.27	6.25	6.22	6.14
Paper and Allied Products	12.44	12.39	11.93	11.79	11.77	11.31
Pulp and Paper Mills	13.22	13.15	12.61	12.54	12.54	11.99
Printing, Pub. and Allied Prod.	11.07	10.96	10.95	–	–	–
Chemicals and Allied Products	11.46	11.32	10.82	11.14	11.06	10.53
Rubber and Misc. Plastics Prod.	8.15	8.16	8.27	7.82	7.86	7.96
Leather and Leather Products.	6.60	6.66	6.39	6.49	6.49	6.19

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* NOVEMBER	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$402	$397	$394	41.1	40.8	40.9	9.78	9.72	9.63	–	–
Wisconsin	437	427	439	41.8	41.3	41.8	10.46	10.33	10.41	10.00	9.90
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	449	436	452	42.6	42.0	44.0	10.53	10.39	10.27	10.06	9.91
Beloit (City)	414	392	400	40.7	37.5	41.6	10.18	10.46	9.62	–	–
Eau Claire (Eau Claire-Chippewa)	426	425	415	40.9	40.8	40.9	10.41	10.41	10.14	10.13	10.17
Fond du Lac (County)	436	426	403	43.9	42.7	41.5	9.93	9.97	9.72	9.36	9.37
Green Bay (Brown County)	480	473	489	42.2	42.5	43.3	11.37	11.12	11.33	10.59	10.46
Janesville (City)	556	528	643	41.6	42.5	45.3	13.36	12.43	14.20	12.85	11.71
Janesville-Beloit (Rock County)	500	469	547	41.2	41.2	43.9	12.13	11.38	12.46	11.52	10.46
Kenosha (County)	482	451	469	41.2	40.2	39.2	11.71	11.23	11.97	11.12	10.79
La Crosse (County)	373	355	363	39.9	39.3	40.1	9.36	9.04	9.06	8.82	8.68
Madison (Dane County)	393	397	397	40.6	41.0	40.8	9.69	9.69	9.74	9.37	9.33
Manitowoc (County)	382	370	364	40.3	39.9	38.9	9.47	9.27	9.37	9.19	8.94
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	487	475	486	41.8	41.1	41.7	11.65	11.56	11.66	11.05	11.04
Racine (County)	447	427	434	41.4	39.6	40.0	10.79	10.79	10.84	10.48	10.53
Sheboygan (County)	402	390	375	42.2	41.5	40.1	9.52	9.39	9.36	9.12	9.08
Wausau (Marathon County)	416	414	408	42.8	42.7	41.9	9.73	9.69	9.73	9.25	9.27

EMPLOYMENT, MFG. *(Unadjusted)* NOVEMBER	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,220.0	19,247.0	19,313.0	-0.1	-0.5
Wisconsin	519.3	517.3	516.3	0.4	0.6
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	49.1	49.9	49.4	-1.6	-0.6
Beloit (City)	4.5	4.5	5.4	0.0	-16.7
Eau Claire (Eau Claire-Chippewa)	10.1	10.1	9.6	0.0	5.2
Fond du Lac (County)	9.9	10.2	9.6	-2.9	3.1
Green Bay (Brown County)	24.0	24.1	23.8	-0.4	0.8
Janesville (City)	11.0	7.7	10.9	42.9	0.9
Janesville-Beloit (Rock County)	17.4	14.1	18.3	23.4	-4.9
Kenosha (County)	11.4	11.4	12.2	0.0	-6.6
La Crosse (County)	10.5	10.6	10.9	-0.9	-3.7
Madison (Dane County)	21.7	21.7	21.1	0.0	2.8
Manitowoc (County)	11.7	12.1	11.1	-3.3	5.4
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	171.3	170.9	171.8	0.2	-0.3
Racine (County)	23.1	23.3	24.2	-0.9	-4.5
Sheboygan (County)	18.4	18.5	18.0	-0.5	2.2
Wausau (Marathon County)	11.2	11.2	11.0	0.0	1.8

WISCONSIN LABOR CAN COMPETE

by Joseph Tumpach, Jr.

Repeat the following: Wisconsin is not a high-wage state, Wisconsin is not a high-wage state... If that goes against your notion of the cost of labor in the state, your idea of wage levels in Wisconsin coincide with popular opinion, the opinion that Wisconsin labor is expensive. Yet, in a ranking of states according to annual average wage in 1985, Wisconsin placed twenty-ninth! That's in the lower half.

There are some qualifiers to the ranking. First, the District of Columbia, highly stacked with well-paid federal government employees, ranked high, and so, pushed Wisconsin down one notch. But of more significance, the District's high wage level boosted the national average and, thus, affected the standard by which we gage above average and below average wages for individual states. Second, the wage figures include annual labor payments by employers, but exclude the cost of fringe benefits and exclude employment taxes required of employers, such taxes as unemployment compensation which is a large cost of doing business for Wisconsin employers.

The other-than-wage cost of hiring and keeping a worker on the payroll varies from state to state and even within a state, from area to area, among different industries, and by occupation. The total cost of employing a worker simply cannot be compared among the states. The average wage data are the best comparisons we have. If, however, fringe benefits are somewhat standard in so far as varying according to a worker's occupation and industry of employment, rather than according to where in the nation an employee works, then we must attribute the high cost of Wisconsin labor to employer taxes rather than to high wages.

Wisconsin's low rank resulted from a 1985 average annual wage amounting to 17,594 dollars. That is quite a large difference from the average for the nation as a whole. The U.S. average amounted to 19,186 dollars. But the difference is misleading. The two top-wage areas, Alaska and the District of Columbia, grossly outstrip even the ten following states, which are above the national average. Alaska and the District of Columbia are hybrids. Alaska, perhaps due to its geographic isolation from trade markets and due to its high cost of living, has an unusually high wage scale...averaging an annual $28,699 in 1985. That level is bouyed by an annual average in the Alaskan mining industry of over 59 thousand dollars. But wages in all industries in Alaska are well above the national average. Alaska's share of total national employment, however, is small...very small...two-tenths of one percent. So, the state's extremely high wage level probably has a negligible affect on the U.S. average wage.

An average government worker from the District of Columbia earned just over thirty thousand dollars in 1985, and that compares to slightly over twenty thousand per year for government workers throughout the United States. Government workers in Wisconsin - federal, state and local government employees - averaged 19,223 dollars pay in 1985, an average falling below the 20,250 dollar U.S. figure. Wages in other District industries are also high, probably strengthened by the stable, well-paid government sector. But, unlike in Alaska, total employment in D.C. is a significant portion of total U.S. employment, a portion amounting to about six-tenths of a percent.

OUR STATE, OH, SO LOW

When ranking the states by annual wage, one's first notion is that the wage average for the nation as a whole should fall somewhere mid-way down the list, say around twenty-fifth place. That is not the case. Only eleven states plus the District of Columbia have higher average wages than the national average. The better-than-average wage states represent several regions of the country. Included are Alaska, Michigan, New York, Connecticut, New Jersey, California, Illinois, Massachusetts, Texas, Colorado and Ohio. Are the wages in these states so much higher as to skew the national wage level average up? No. Annual Average pay for Delaware, Wyoming and Washington, the three states immediately below the national average, differs from Ohio's, the state immediately above the U.S. average, by only about three to five hundred dollars per year.

One noticeable aspect of the top-pay states is that many are heavily populated and have high employment figures. The eleven above-average-wage states, in 1985, employed nearly half, 48.7 percent, of the nation's working population. Half of the nation's workers, in eleven states, it appears, can make the other half of the country's employees, in thirty-nine other states, complain about being underpaid. But, if you're considering relocating and finding a new job in order to give yourself an eight thousand dollar raise, remember that the cost of living varies greatly from region to region of the country. Much of the pay increase you've given yourself will be diminished by the difference of cost for the business lunch at the typical mid-Manhattan restaurant and lunch at Joe's Atomic Bar and Grill in Middleton, South Dakota. Not only are Wisconsin workers in the bottom half of the wage range for all states, but Wisconsin earners have not kept pace with growth in the national average pay. In 1984, Wisconsin's annual average wage was $1327 below the national average; and in 1985, our state was $1592 below the nation as a whole. If you were an average Wisconsin wage earner in 1985, workers in thirty-six other states and the District of Columbia received a greater rate of pay increase than you. That is, over seventy percent of the states had faster wage growth than Wisconsin. Some of those states, however, had a lower actual amount of growth, despite their faster rate of growth. Idaho, for example, had a 3.5 percent growth in annual pay, amounting to 560 dollars more per year; Wisconsin, a 3.3 percent growth, amounting to 568 dollars more per year.

Also, Wisconsin's annual average wage increases have slowed. In 1984, the Badger State's annual average wage had grown, from the previous year, by 3.9 percent, and only twenty-nine states plus the District of Columbia ranked higher in rate of growth. That has implications for job development in Wisconsin. The once vaunted advantage of low labor costs with which other states wooed industry may be disappearing.

THE INDUSTRY MIX KEY

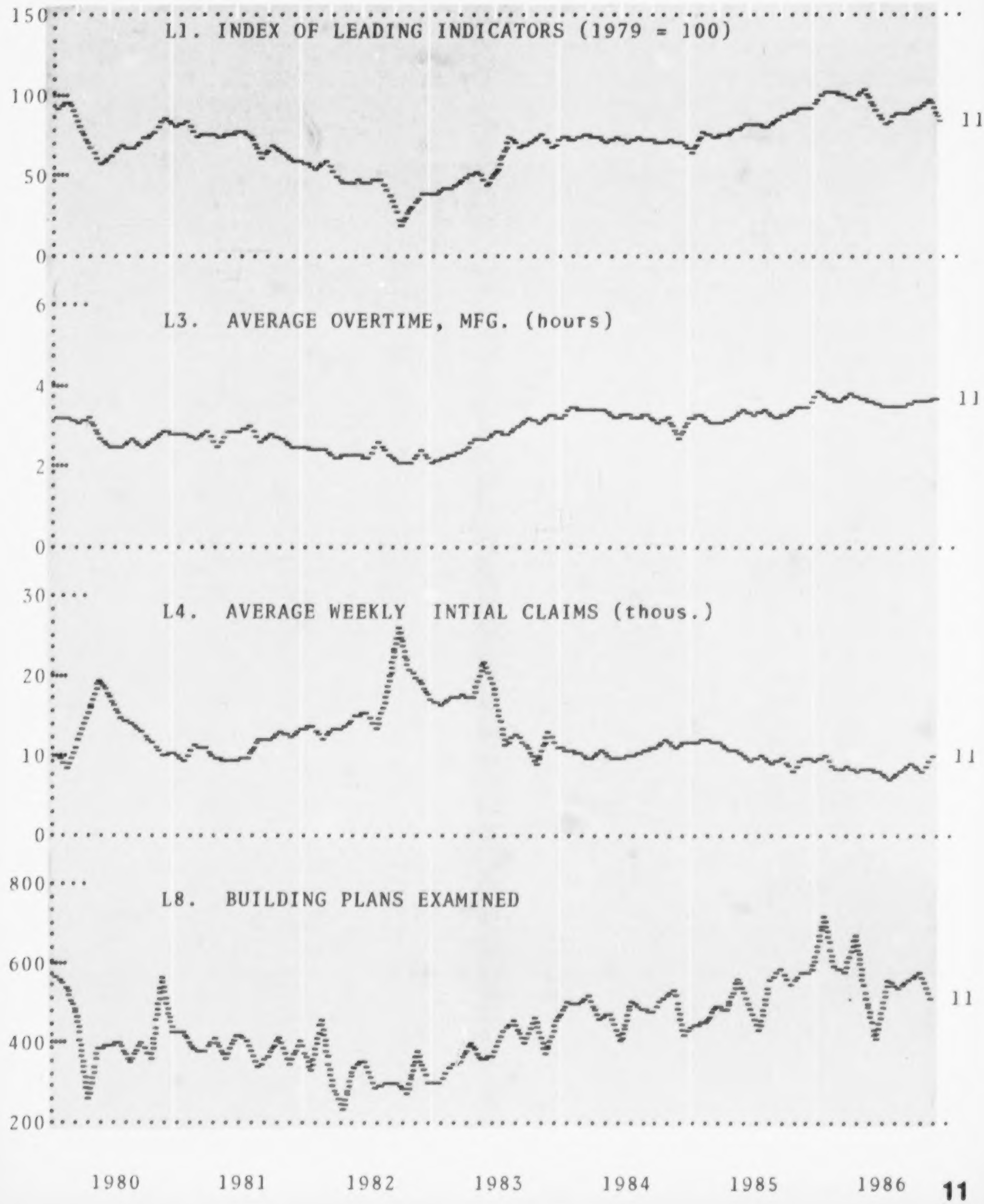
Does the industry mix within a particular state determine its ranking on the range of annual wages for all states? That is, does a state rank high because it has a large portion of, say, well-paid manufacturing jobs in its total labor market? Not necessarily. California and Illinois, both highly ranked in the annual wage spectrum, have manufacturing employment which composed 19.1 and 20.6 percent of their total nonfarm wage and salary employment levels

(continued on back cover)

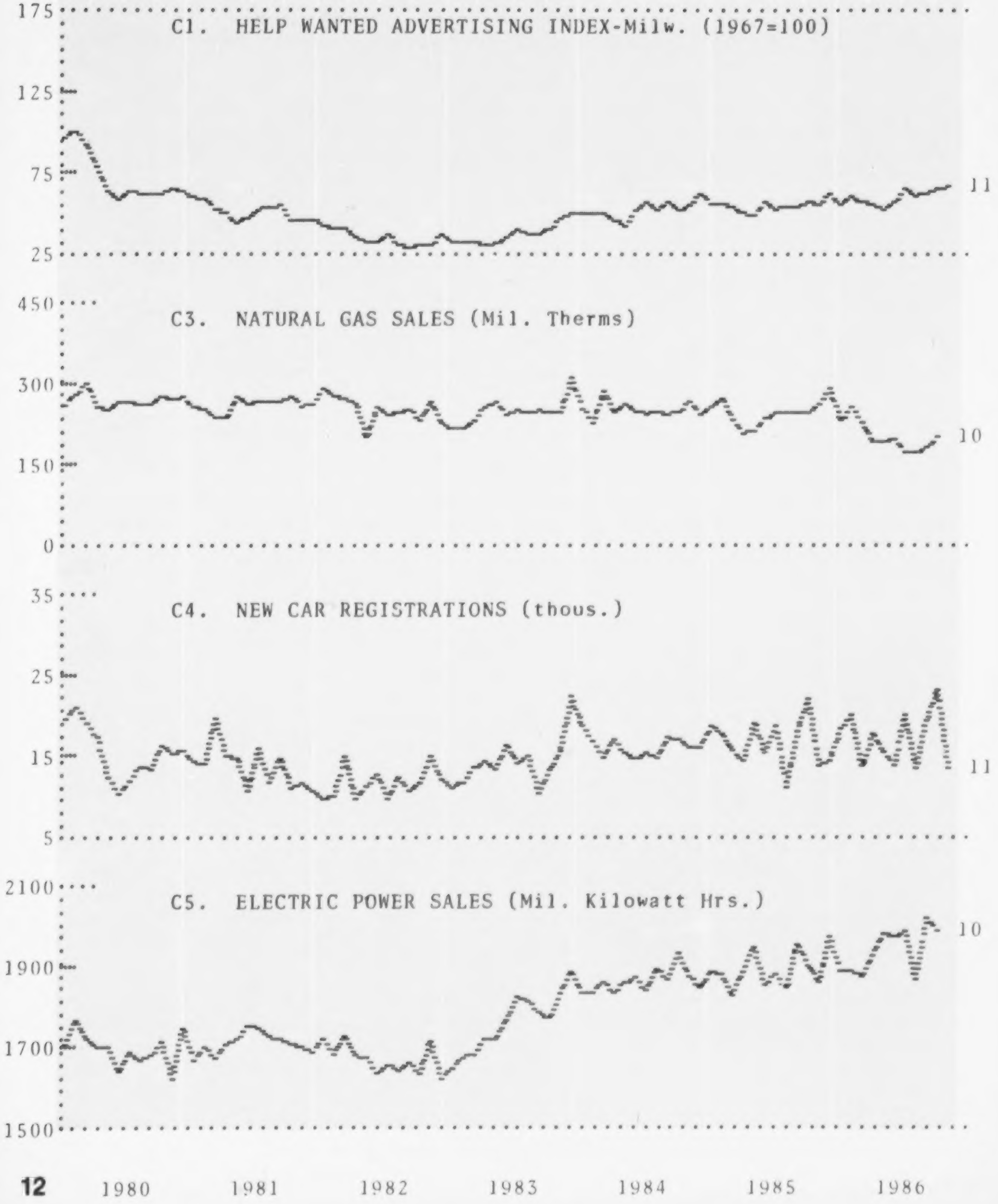
Section

D

CYCLICAL INDICATORS

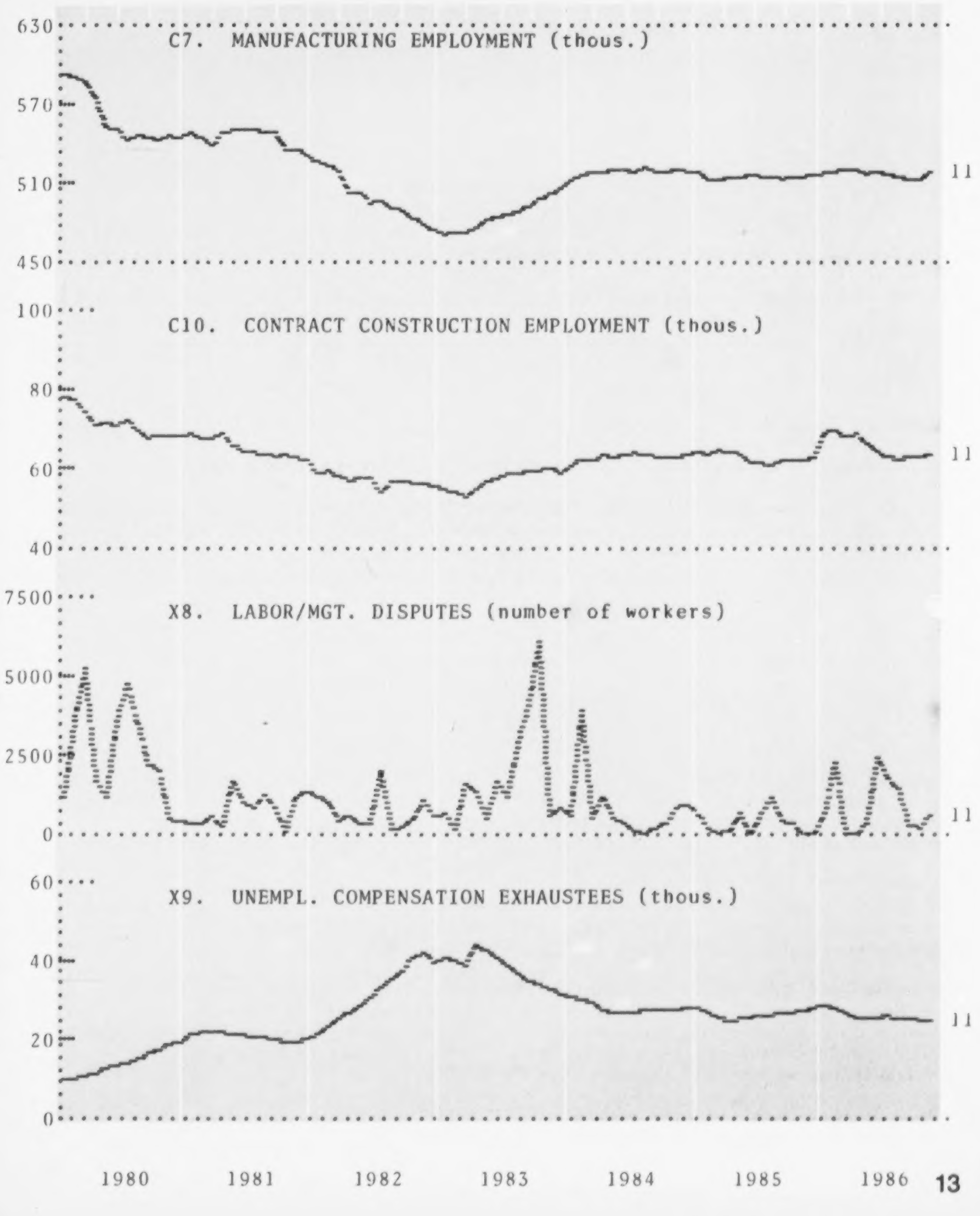


CYCLICAL INDICATORS



Section

D CYCLICAL INDICATORS



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(continued from page 10)

during 1985. Conversely, Maine and Mississippi rank in the lower third of the annual wage range. Manufacturing there makers-up 23.1 and 26.4 percent of those state's employment levels. In the middle of the income range, Georgia's manufacturing workers represent 21.6 percent of the state's wage earners; and West Virginia's 15.0 percent. Manufacturing in Wisconsin employed 21.0 percent of our workers in 1985.

A more telling ranking is an analysis of industries within particular states according to industry wage levels. In only four states, Iowa, Indiana, Michigan and Wisconsin, was manufacturing the top wage industry. In Delaware and Washington, pay in manufacturing was exceeded by mining income, but those states have insignificant numbers of miners. Wisconsin's high-wage reputation, it seems, rests on the phenomenon that our state manufacturing employees, a large segment of our working, are better paid than workers in other industries within the state.

2/24/87 58750-1

WISCONSIN ECONOMIC INDICATORS

JANUARY 1987

DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

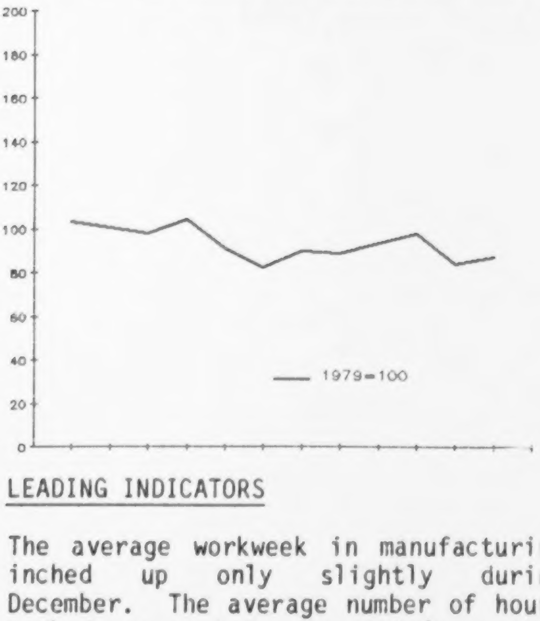
SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

THE WISCONSIN ECONOMY

SUMMARY FOR DECEMBER

COMPOSITE INDEX

The composite index of Wisconsin's leading indicators rose moderately in December. While a large rise of the index was prevented by unfavorable trends in some leading indicators, the 2.8 point rise of the composite index was powered by favorable trends in the level of initial claims for unemployment compensation, in gains of business telephone primary access lines, and in an upward trend of the number of commercial and industrial building plans examined.


COMPOSITE INDEX
OF LEADING INDICATORS
JANUARY-DECEMBER 1986

LEADING INDICATORS

The average workweek in manufacturing inched up only slightly during December. The average number of hours worked per week by the state's production workers normally increases more in this month. However, the average workweek one month earlier was 41.9 hours, unusually high for November. December's 42.0 hours is the highest average in 1986.

The amount of overtime spent on the job remained unchanged from November to December. An increase of overtime is normal for the end of the year. But again, November's overtime average was above normal.

Coupled with the above-average workweek was a more resilient than usual manufacturing employment level. Manufacturing employment decreased by 36 hundred. For December, that's not severe. A decrease of 46 hundred would have been normal for this month.

The average number of workers making initial claims for unemployment compensation increased to 14,786 per week during December, a 24-hundred-plus increase. The initial claims average usually increases substantially in December and, in fact, an increase of over 31 hundred per week would have been in line this month.

The number of job openings received by state Job Service offices fell to 5,269 this month, about 230 more than the normal seasonal decline for December.

New business incorporations throughout the state increased by over 130 in December. The increase is large for December, but the growth is from an anemic incorporation count in November. This December's incorporation rebounded to about the normal level.

The net gain in business telephone access lines increased by more than the normal amount for this month. The net figure represents a gain of installations minus removals of primary access lines...extensions to already existing phones are not included. Thus, growth in this series indicates an increase in the number of business places throughout the state.

The number of building plans examined by state officials decreased in December, but, by less than the normal year-end amount. Plans for commercial and industrial buildings must be inspected for public safety.

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	
LEADING INDICATORS							
L1 COMPOSITE INDEX OF LEADING INDICATORS							
Seasonally Adjusted	INDEX	86.9 Dec	84.1	100.9	3.3	-13.9	8.43
L2 AVG. WORK WEEK, MFG.							
Unadjusted	HOURS	42.0 Dec	41.9	42.5	0.2	- 1.2	41.1
Seasonally Adjusted		41.3	41.6	41.8	-0.7	- 1.2	
L3 AVG. OVERTIME HOURS, MFG.							
Unadjusted	HOURS	3.8 Dec	3.8	4.1	0.0	- 7.3	3.3
Seasonally Adjusted		3.6	3.7	3.9	-2.7	- 7.7	
L4 AVG. WEEKLY INITIAL CLAIMS							
Unadjusted	NUMBER	14,786 Dec	12,372	14,811	19.5	- 0.2	10,380
Seasonally Adjusted		9,614	10,100	9,630	-4.8	- 0.2	
L5 TOTAL JOB OPENINGS REC.							
Unadjusted	NUMBER	5,269 Dec	6,006	6,997	-12.3	-24.7	8,228
Seasonally Adjusted		6,781	7,083	9,000	-4.3	-24.7	
L6 NEW BUSINESS INCORPORATIONS							
Unadjusted	NUMBER	530 Dec	399	516	32.8	2.7	542
Seasonally Adjusted		526	412	513	27.7	2.5	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES							
Unadjusted	NUMBER	1,048 Dec	-282	4,890	476.6	-78.6	1,356
Seasonally Adjusted		1,464	1,289	2,388	13.6	-38.7	
L8 BUILDING PLANS EXAMINED							
Unadjusted	NUMBER	407 Dec	546	434	-25.5	-6.2	526
Seasonally Adjusted		551	515	588	7.0	-6.3	
ROUGHLY COINCIDING INDICATORS							
C1 HELP-WANTED INDEX (MILW.)							
Seasonally Adjusted	INDEX	68 Dec	67	62	1.5	9.7	55
C2 UNEMPLOYMENT RATE, TOTAL							
Unadjusted	PERCENT	7.1 Dec	6.7	7.4	-	-	7.2
Seasonally Adjusted		6.8	7.2	7.0	-	-	
C3 NATURAL GAS SALES							
Unadjusted	MIL THERMS	272.1 Nov	152.9	301.3	78.0	-9.7	252.9
Seasonally Adjusted		236.8	201.7	262.2	17.4	-9.7	
C4 NEW CAR REGISTRATIONS							
Unadjusted	NUMBER	10,519 Dec	11,814	9,975	-11.0	5.5	16,697
Seasonally Adjusted		15,309	13,614	14,506	12.5	5.5	
C5 ELECTRIC POWER SALES							
Unadjusted	MIL KWH	1935.7 Nov	2020.6	1835.6	-4.2	5.5	1893.9
Seasonally Adjusted		1963.2	1990.7	1862.6	-1.4	5.4	
C6 TOTAL SECURITIES REGISTRATIONS							
Unadjusted	MIL DOL	130.7 Dec	92.5	86.6	41.3	50.9	131.3
Seasonally Adjusted		138.0	68.8	91.4	100.6	51.0	

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1984
C7 MANUFACTURING EMPL.								
Unadjusted	THOUS	515.1	Dec	518.7	512.9	-0.7	0.4	515.2
Seasonally Adjusted		519.3		518.2	517.2	0.2	0.4	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	442.68	Dec	439.11	448.38	0.8	-1.3	421.57
Seasonally Adjusted		428.54		433.05	433.99	-1.0	-1.3	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL DOL	445.3	Sep	424.2	435.8	5.0	2.2	421.0
Seasonally Adjusted		445.7		419.6	436.4	6.2	2.1	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS	64.1	Dec	68.4	62.0	-6.3	3.4	62.8
Seasonally Adjusted		65.1		63.2	63.0	3.0	3.3	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	5,615	Dec	5,338	5,414	5.2	3.7	6,141
Seasonally Adjusted		6,267		5,911	6,039	6.0	3.8	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3,618	Dec	3,255	3,447	11.2	5.0	3,475
Seasonally Adjusted		3,808		3,377	3,627	12.8	5.0	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	1,997	Dec	2,083	1,967	-4.2	1.5	2,666
Seasonally Adjusted		2,515		2,364	2,478	6.4	1.5	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	1,816	Dec	2,705	1,879	-32.9	-3.4	3,360
Seasonally Adjusted		3,062		3,138	3,168	-2.4	-3.5	
X5 CONSUMER PRICE INDEX (MILW.)				(Sep)				
Unadjusted	INDEX	330.7	Nov	332.9	333.9	-0.7	-1.0	330.5
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	137	Dec	138	131	-0.7	4.6	133
Seasonally Adjusted		139		138	133	0.7	4.5	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	-419	Dec	3,992	-204	-110.5	-105.4	1,615
Seasonally Adjusted		1,872		1,534	1,161	22.0	61.2	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	390	Dec	470	690	-17.0	-43.5	450
Seasonally Adjusted		553		656	986	-15.7	-43.9	
X9 UNEMPL. COMPENSATION EXHAUSTEES	NUMBER							
Unadjusted		22,130	Dec	22,588	24,923	-2.0	-11.2	26,616
Seasonally Adjusted		25,437		25,210	28,632	0.9	-11.2	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2438.9	2447.7	2389.7	- 0.4	2.1
Employment (Inc. Labor Disputes)	2266.4	2284.7	2213.6	- 0.8	2.4
Unemployment	172.4	163.0	176.1	5.8	- 2.1
Unemployment Rate	7.1	6.7	7.4	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2442.9	2449.5	2392.5	- 0.3	2.1
Employment (Inc. Labor Disputes)	2277.8	2273.3	2223.9	0.2	2.4
Unemployment	165.1	176.2	168.6	- 6.3	- 2.1
Unemployment Rate	6.8	7.2	7.0	-	-

WISCONSIN EMPLOYMENT ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2041.3	2049.6	2001.0	- 0.4	2.0
Unadjusted					
Manufacturing	514.9	518.4	512.9	- 0.7	0.4
Mining	2.3	2.7	1.8	-14.8	27.8
Contract Construction	64.1	68.4	62.0	- 6.3	3.4
Transportation and Public Utilities	97.0	97.1	95.2	- 0.1	1.9
Elec., Gas and Sanitary Services	17.4	17.5	17.2	- 0.6	1.2
Wholesale Trade	99.0	99.4	99.1	- 0.4	- 0.1
Retail Trade	388.1	385.2	376.4	0.8	3.1
General Merchandise	51.5	50.5	50.9	2.0	1.2
Finance, Insurance and Real Estate	110.0	109.7	105.2	0.3	4.6
Banking	28.8	28.7	28.5	0.3	1.1
Insurance	37.1	37.0	34.6	0.3	7.2
Service and Miscellaneous	432.3	431.0	417.8	0.3	3.5
Hospitals	67.3	67.4	65.8	- 0.1	2.3
Private Education	23.4	24.2	24.2	- 3.3	- 3.3
Government	333.6	337.8	330.5	- 1.2	0.9
State Government	85.8	87.1	84.1	- 1.5	2.0
Local Government	219.4	222.3	218.7	- 1.3	0.3

UNITED STATES LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	118,586	118,675	116,333	- 0.1	1.9
Employment	110,637	110,432	108,149	0.2	2.3
Unemployment	7,949	8,243	8,184	- 3.6	- 2.9
Unemployment Rate	6.7	6.9	7.0	-	-

MANUFACTURING EMPLOYMENT *(Unadjusted)* DECEMBER	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	514.9	518.4	512.9
All Manufacturing (Excluding Canning)	507.3	508.8	505.4
Durable Goods	314.1	315.2	317.3
Lumber and Wood Prod., (Except Furniture)	23.8	23.8	22.9
Sawmills and Planning Mills	3.3	3.2	3.3
Millwork, Veneer, Plywood & Prefab. Wood Prod.	11.5	11.5	10.8
Furniture and Fixtures	10.4	10.4	10.1
Household Furniture	4.4	4.3	4.4
Stone, Clay and Glass Products	7.7	8.5	7.5
Concrete, Gypsum and Plaster Products	3.5	4.4	3.5
Primary Metal Industries	18.4	18.5	19.1
Iron and Steel Foundries	9.8	9.9	10.2
Fabricated Metal Products	51.1	51.5	51.5
Heating Equipment (Except Electrical) & Plumbing Fixtures	6.1	6.2	5.8
Fabricated Structural Metal Products	11.7	11.9	12.6
Metal Stampings	10.7	10.8	10.9
Machinery (Except Electrical)	99.3	98.8	101.5
Engines and Turbines	19.6	19.5	18.9
Farm Machinery and Equipment	12.0	12.0	12.4
Const., Min. & Material Handling Mach. & Equip.	10.9	10.9	11.0
Metalworking Machinery and Equipment	11.2	11.1	11.9
Special Industry Machinery (Except Metalworking)	11.6	11.7	12.9
General Industrial Machinery and Equipment	13.6	13.6	13.6
Service Industry Machines	6.6	6.6	7.4
Electrical Machinery, Equipment and Supplies	49.3	49.6	49.9
Electrical Industrial Apparatus	16.6	16.7	17.6
Household Appliances	6.3	6.5	6.4
Transportation Equipment	32.8	32.8	33.4
Motor Vehicles and Equipment	24.9	24.7	26.1
Instruments and Related Products	11.2	11.3	11.6
Miscellaneous Manufacturing	10.1	10.1	9.7
Nondurable Goods	200.8	203.2	195.6
Food and Kindred Products	58.3	60.5	57.9
Meat Products	14.5	14.8	14.6
Dairy Products	17.3	17.3	17.4
Canning and Preserving	7.6	9.6	7.5
Bakery Products	4.7	4.6	4.2
Beverage Industries	7.7	7.7	7.7
Textile Mill Products	3.8	4.0	4.0
Knitting Mills	3.0	3.2	3.2
Apparel and Other Finished Products	7.2	6.9	6.6
Paper and Allied Products	48.8	48.9	48.1
Pulp and Paper Mills	29.5	29.7	29.5
Converted Paper and Paperboard Products	11.3	11.2	10.5
Paperboard Containers and Boxes	6.7	6.7	6.6
Printing, Publishing and Allied Industries	39.4	39.5	38.4
Newspapers	12.6	12.6	12.0
Commercial Printing	16.9	17.0	16.6
Chemicals and Allied Products	9.7	9.8	10.0
Rubber and Misc. Plastics Products	27.0	26.7	23.3
Miscellaneous Plastics Products	22.5	22.3	18.7
Leather and Leather Products	6.3	6.6	7.2
Leather Tanning and Finishing	1.5	1.5	1.7
Footwear (Except Rubber)	3.0	3.3	3.7
Other Nondurable Goods	–	–	–

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* DECEMBER	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$443	$439	$448	42.0	41.9	42.5
All Manufacturing (Excl. Canning)	444	442	451	42.0	42.0	42.6
Durable Goods	452	448	462	42.4	42.1	42.7
Lumber/Wood Prod. (Exc. Furn.)	348	347	324	41.9	41.6	41.3
Furniture and Fixtures	349	339	335	42.9	42.8	42.9
Stone, Clay and Glass Products	401	404	414	42.6	42.7	42.5
Primary Metal Industries	454	442	447	44.6	43.6	44.4
Iron and Steel Foundries	453	441	461	45.7	44.4	45.7
Fabricated Metal Products	431	425	426	41.8	41.4	41.0
Fab. Structural Metal Prod.	486	470	459	47.0	45.5	44.6
Metal Stampings	448	442	421	40.7	40.4	39.3
Machinery (Except Electrical)	512	505	519	43.5	43.1	43.8
Engines and Turbines	598	587	565	45.2	44.6	43.2
Farm Machinery and Equip.	553	545	549	42.5	41.8	42.1
Const. and Related Mach.	497	472	521	45.9	43.5	45.6
Metalworking Mach. and Equip.	531	520	573	43.6	43.0	45.5
Spec. Ind. Mach. (Exc. Metal) .	507	499	533	42.7	42.3	45.6
Gen. Industrial Mach. and Equip.	495	491	518	41.7	41.4	42.3
Electrical Mach., Equip. and Supp.	418	414	420	41.8	41.4	41.2
Electrical Industrial Apparatus	443	435	429	41.8	41.3	40.5
Transportation Equipment	554	575	626	40.8	41.7	44.4
Instruments and Related Prod.	367	356	380	41.1	40.1	41.9
Nondurable Goods	428	425	427	41.4	41.6	42.2
Food and Kindred Products	404	394	406	40.5	40.5	41.6
Meat Products	362	371	378	40.8	42.1	42.3
Dairy Products	402	412	395	40.2	41.2	40.6
Textile Mill Products	349	342	308	44.2	44.9	41.5
Apparel and Other Fin. Prod.	236	253	250	37.4	39.6	39.5
Paper and Allied Products	566	574	560	45.6	46.3	46.7
Pulp and Paper Mills	611	619	592	46.2	47.0	46.8
Printing, Pub. and Allied Prod.	434	424	440	38.7	38.4	39.8
Chemicals and Allied Products	472	478	445	41.0	41.7	41.1
Rubber and Misc. Plastics Prod.	328	324	337	40.2	40.1	40.4
Leather and Leather Products.	263	255	250	39.4	38.5	39.1

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* DECEMBER	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.54	10.48	10.55	10.07	10.02	10.05
All Manufacturing (Excl. Canning)	10.57	10.53	10.58	10.10	10.08	10.08
Durable Goods	10.67	10.65	10.81	10.23	10.23	10.33
Lumber/Wood Prod. (Exc. Furn.)	8.30	8.33	7.84	8.02	8.03	7.66
Furniture and Fixtures	8.13	7.92	7.80	7.78	7.74	7.46
Stone, Clay and Glass Products	9.42	9.45	9.73	9.14	9.19	9.39
Primary Metal Industries	10.17	10.14	10.06	9.73	9.72	9.58
Iron and Steel Foundries	9.91	9.94	10.09	9.53	9.55	9.68
Fabricated Metal Products	10.31	10.27	10.40	9.90	9.88	9.93
Fab. Structural Metal Prod.	10.33	10.34	10.29	9.75	9.83	9.68
Metal Stampings	11.00	10.93	10.70	10.63	10.60	10.34
Machinery (Except Electrical)	11.78	11.71	11.85	11.20	11.19	11.36
Engines and Turbines	13.24	13.16	13.07	12.29	12.30	12.41
Farm Machinery and Equip.	13.01	13.03	13.04	12.48	12.56	12.61
Const. and Related Mach.	10.82	10.85	11.43	10.34	10.53	11.01
Metalworking Mach. and Equip.	12.18	12.10	12.59	11.66	11.63	11.83
Spec. Ind. Mach. (Exc. Metal) .	11.87	11.80	11.68	11.37	11.31	10.93
Gen. Industrial Mach. and Equip.	11.86	11.87	12.25	11.52	11.56	11.86
Electrical Mach., Equip. and Supp.	10.01	10.01	10.19	9.74	9.76	9.79
Electrical Industrial Apparatus	10.59	10.54	10.59	10.52	10.52	10.27
Transportation Equipment	13.59	13.79	14.11	13.07	13.17	13.33
Instruments and Related Prod.	8.92	8.89	9.06	8.70	8.71	8.88
Nondurable Goods	10.34	10.21	10.13	9.82	9.68	9.58
Food and Kindred Products	9.98	9.72	9.76	9.46	9.19	9.22
Meat Products	8.87	8.82	8.93	8.46	8.43	8.37
Dairy Products	9.99	9.99	9.73	9.52	9.45	9.29
Textile Mill Products	7.89	7.61	7.43	7.54	7.24	7.19
Apparel and Other Fin. Prod.	6.32	6.40	6.33	6.20	6.23	6.19
Paper and Allied Products	12.41	12.40	11.99	11.76	11.74	11.35
Pulp and Paper Mills	13.22	13.18	12.64	12.53	12.51	12.00
Printing, Pub. and Allied Prod.	11.21	11.05	11.06	-	-	-
Chemicals and Allied Products	11.52	11.46	10.83	11.23	11.15	10.59
Rubber and Misc. Plastics Prod.	8.16	8.09	8.35	7.83	7.77	8.02
Leather and Leather Products.	6.67	6.62	6.40	6.54	6.49	6.19

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* DECEMBER	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$411	$401	$406	41.7	41.0	41.7	9.86	9.77	9.74	-	-
Wisconsin	443	439	448	42.0	41.9	42.5	10.54	10.48	10.55	10.07	10.02
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	453	452	466	42.6	42.8	45.4	10.64	10.55	10.27	10.16	10.07
Beloit (City)	432	421	400	41.3	40.8	41.6	10.47	10.32	9.62	-	-
Eau Claire (Eau Claire-Chippewa)	428	430	418	41.0	41.1	40.2	10.43	10.45	10.39	10.12	10.17
Fond du Lac (County)	438	436	406	44.6	43.9	42.0	9.83	9.93	9.66	9.26	9.34
Green Bay (Brown County)	494	480	507	42.4	42.1	44.2	11.66	11.39	11.48	10.74	10.61
Janesville (City)	501	556	661	38.4	41.2	45.5	13.05	13.50	14.52	12.98	13.26
Janesville-Beloit (Rock County)	472	502	562	39.1	41.0	44.3	12.06	12.24	12.68	11.82	11.88
Kenosha (County)	476	482	482	40.8	41.2	40.4	11.66	11.71	11.94	11.17	11.12
La Crosse (County)	371	375	382	39.4	40.1	41.2	9.41	9.35	9.27	9.03	8.81
Madison (Dane County)	398	395	411	40.5	40.5	41.8	9.83	9.76	9.84	9.50	9.44
Manitowoc (County)	402	381	399	41.3	40.4	41.0	9.74	9.42	9.72	9.45	9.14
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	494	490	502	42.3	41.8	42.5	11.69	11.72	11.82	11.06	11.09
Racine (County)	454	447	438	41.9	41.5	40.5	10.83	10.77	10.82	10.46	10.45
Sheboygan (County)	420	403	391	42.9	42.0	41.6	9.79	9.59	9.39	9.41	9.22
Wausau (Marathon County)	410	419	417	42.1	43.1	42.2	9.74	9.71	9.87	9.27	9.21

EMPLOYMENT, MFG. *(Unadjusted)*	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,182.0	19,216.0	19,272.0	-0.2	- 0.5
Wisconsin	514.9	518.4	512.9	-0.7	0.4
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	48.8	48.9	49.4	-0.2	- 1.2
Beloit (City)	4.5	4.5	5.4	0.0	-16.7
Eau Claire (Eau Claire-Chippewa)	10.0	10.1	9.4	-1.0	6.4
Fond du Lac (County)	10.0	10.0	9.8	0.0	2.0
Green Bay (Brown County)	23.4	23.9	23.3	-2.1	0.4
Janesville (City)	10.7	10.7	11.0	0.0	- 2.7
Janesville-Beloit (Rock County)	16.9	17.2	18.2	-1.7	- 7.1
Kenosha (County)	11.4	11.4	12.4	0.0	- 8.1
La Crosse (County)	10.5	10.5	10.9	0.0	- 3.7
Madison (Dane County)	21.5	21.7	20.8	-0.9	3.4
Manitowoc (County)	11.3	11.8	10.6	-4.2	6.6
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	172.1	171.4	171.7	0.4	0.2
Racine (County)	23.1	23.2	24.1	-0.4	- 4.1
Sheboygan (County)	18.4	18.5	18.0	-0.5	2.2
Wausau (Marathon County)	11.3	11.3	11.0	0.0	2.7

EMPLOYMENT 1987: SORTING-OUT A FORECAST

Multiple choice question: Which of the following has given 1987 a dramatic start?

a. the dollar dropped sharply
b. the stock market, in a protracted rise, changed over 100 points in one day after reversing directions
c. auto sales dropped sharply and oil prices rose sharply

Answer: All of the above for an unemployed job seeker, all of the above for a corporate personnel recruiting office, and all of the above for an economist analyzing labor market trends.

While all of these dramatic events do have an impact on the employment situation--some directly, others indirectly, some of the events are positive, some negative.

The sharp, but selected, drop in the dollar's value, for example, should stem the flow of imports, increase exports, and thus, bolster manufacturing employment in this country. Such a turnaround takes time, however. Old economic problems such as debt and trade levels remain with us at even higher levels.

Stock market increases not only give the economy a psychological boost, but also supply investment capital needed to make U.S. industry competitive and, thus, preserve jobs. Yet, some people are worried by the parallels of our current financial state to that of the late 1920's.

Rising prices and less spending by consumers translate to this equation: less consumption equals job loss. Yet, only one of the usual leading indicators of recession, consumers' ability to continue spending, is flashing a yellow warning light.

In this economic environment, economists are asked to forecast the new year's economic outlook.

Nineteen eighty seven has one overwhelming popular economic forecast, a consensus that continued sluggish growth is ahead.

This "continued sluggish growth" forecast seems to belie the dramatic economic events that have occurred in recent weeks.

This leads skeptics to ask -- "Does anyone really know what might happen?" Economists seem to be "poor at forecasting short term changes in the economy."

Generally, the concensus forecast is premised on one event -- a significant decline in our trade deficit occurring during 1987.

Some economists feel a recession must be avoided at all costs as combined with record debt levels, a recession might be severe. They assume monetary accommodation by the Federal Reserve Bank will assure economic growth this year.

Despite the uncertainties mentioned above forecasts seem to serve a useful purpose if they also focus attention on what could cause them to be off the mark and the items mentioned above certainly could alter the conventional forecast of continued sluggish economic growth.

What Is The Wisconsin Economy Likely To Do In 1987?

The state's Department of Industry, Labor and Human Relations continues to see no significant improvement or deterioration in the Wisconsin economy as measured by labor force employment and unemployment levels and rates.

State unemployment claims continue to be lower than levels experienced in the previous two years, indicating no recession is on the immediate horizon. However, balancing this improvement is is the fact that the Department continues to receive a low number of job openings at its Job Service offices. This indicates no boom is apparent in the immediate future either.

Additionally, the economy continues to face a large number of economic problems and potential crises which must be handled adequately by state, national and international financial institutions and governments. This forecast assumes they will be minimized or resolved.

Expected Change in the Labor Force Figures -- 1986-1987

Levels	1985	Expected 1986	Projected 1987
Labor Force	2,374,000	2,405,000	2,415,000
Unemployment	171,000	170,000	169,000
Employment	2,203,000	2,235,000	2,246,000
Un. Rate	7.2%	7.1%	7.0%

Local Area Analysts Expect Growth to Continue in 1987

DILHR has seventeen local area labor market analysts stationed around the state. Most expect continued growth in 1987, but perhaps at a slower rate than in 1986.

Asked what they expected their local economies will do employment-wise this year, overwhelmingly the analysts expected continued growth. Only one local area expected a decline, two expected employment levels to remain the same. Most expected gains to occur in the service sector, with the majority expecting this service growth to be either less than in 1986, or harder to achieve than in 1986. The shift from jobs with high average weekly earnings to jobs with lower earnings was expected to continue.

Employment Level Revisions Reveal Greater Shift to Service Production In 1985 and 1986

The movement from goods production jobs to service producing jobs has been well documented.

Revisions to DILHR employment data indicate this trend was somewhat stronger than previously released data for 1985 and 1986 indicated.

The estimated number of nonfarm wage and salary jobs provided by Wisconsin's economy back in 1985 was revised upward moderately. Ninety percent of this increase occurred in the service sector.

Revisions show that the construction industry added more jobs in 1985 while manufacturing and mining job levels where revised downward.

All of the private sector service groups have upward revisions in job levels except finance, insurance and real estate, which was reduced very slightly. Estimates of government employment levels also were reduced.

For all of 1986 the average yearly job level estimate was almost unchanged, increasing from 2,014,100 to 2,014,800 jobs. Major offsetting changes occurred as goods production job levels were reduced and service sector job levels were revised upward.

Manufacturing levels are being revised downward for 1986 with the revision occurring in metal working durable goods industries. What, based on preliminary data, had appeared to be a slight gain for manufacturing will now

(Continued on back cover)

Wisconsin Nonfarm Wage and Salary Job Levels
Annual Averages
January 1987

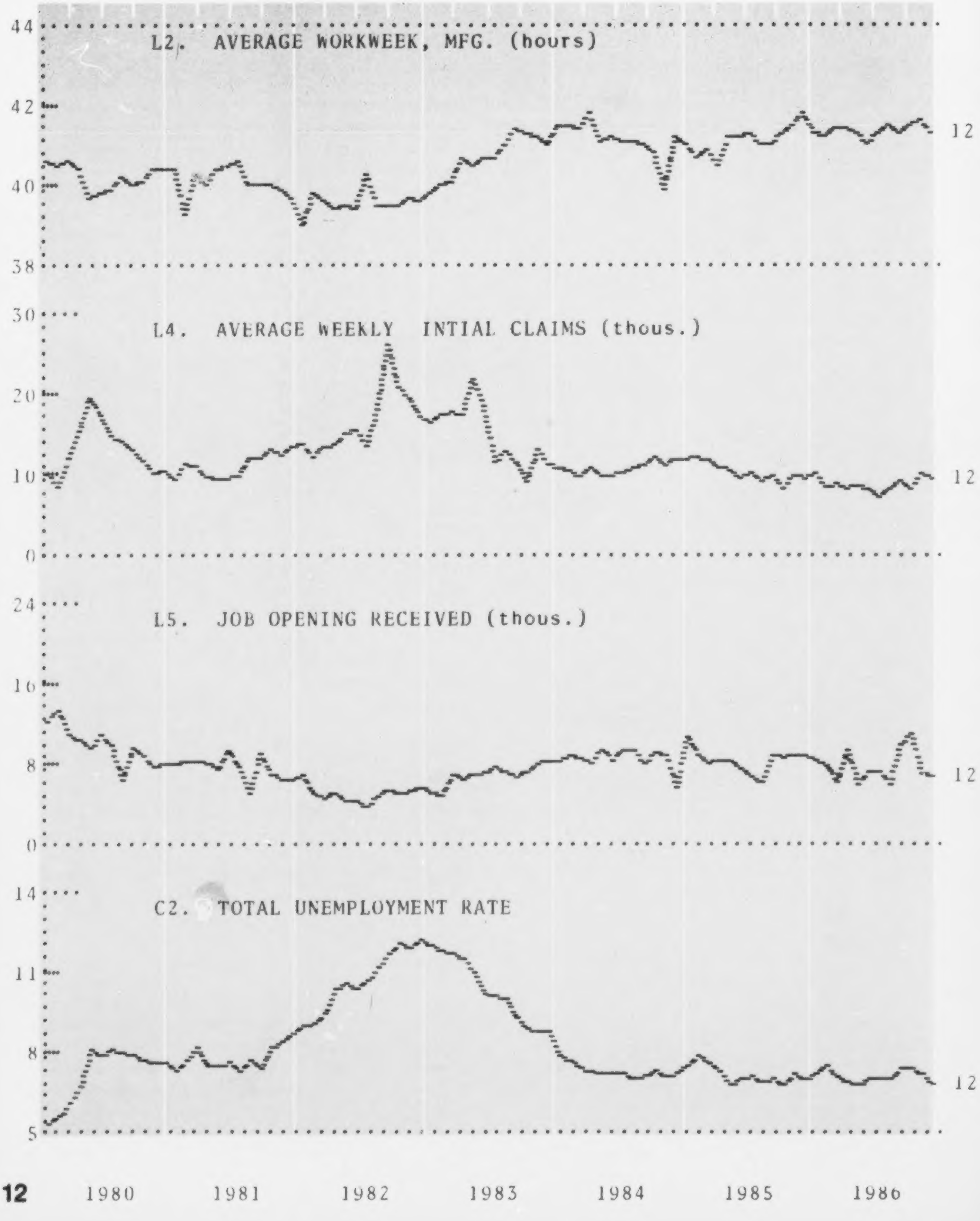
	SIC Code	1985r	Projected 1986p	Number Change 84/85	Number Change 85/86	Percent Change 84/85	Percent Change 85/86
Nonfarm Wage & Salary		1,983.1	2,014.8	+33.9	+31.7	+1.7	+1.6
Mining	10-14	1.9	2.0	±0	+0.1	±0.0	+5.0
Construction	15-18	64.6	63.8	+1.4	-0.8	+2.2	-1.2
Manufacturing	20-39	513.9	512.6	-5.0	-1.3	-1.0	-0.3
Durable Goods	-	315.5	310.3	-7.0	-5.2	-2.2	-1.7
Lumber & Wood	24	22.9	23.3	+0.5	+0.4	+2.2	+1.7
Furniture & Fixtures	25	9.8	10.4	±0	+0.6	±0.0	+5.8
Stone, Clay & Glass	32	7.9	+0.1	+0.2	±0	+2.5	±0.0
Primary Metals	33	19.5	19.0	-0.4	-0.5	-2.1	-2.6
Fabricated Metal	34	51.4	51.5	-0.5	+0.1	-1.0	+0.2
Machinery, Nonelectric	35	100.5	98.7	-1.4	-1.8	-1.4	-1.8
Electric & Electronic	36	49.9	48.5	-2.2	-1.4	-4.4	-2.9
Transportation Equipment	37	32.3	30.6	-3.0	-1.7	-9.3	-5.6
Instruments & Related	38	11.4	11.4	+0.2	±0	+1.8	±0.0
Misc. Mfg.	39	9.8	9.2	-0.2	-0.6	-2.0	-6.1
Nondurable Goods	-	198.4	202.2	+2.0	+3.8	+1.0	+1.9
Food & Kindred	20	61.6	62.1	-0.6	+0.5	-1.0	+0.8
Textile Mills	22	4.2	3.9	-0.1	-0.3	-2.4	-7.7
Apparel & Other Textile	23	6.2	6.5	-0.2	+0.3	-3.2	+4.6
Paper & Allied	26	48.0	49.0	+0.5	+1.0	+1.0	+2.0
Printing & Publishing	27	38.1	39.6	+1.5	+1.5	+3.9	+3.8
Chemicals & Allied	28	10.0	10.6	+0.3	+0.6	+3.0	+5.7
Petroleum & Coal	29	.3	.3	±0	±0	±0.0	±0.0
Rubber & Misc. Plastics	30	22.4	23.3	+1.2	+0.9	+5.4	+3.9
Leather	31	7.6	6.9	-0.5	-0.7	-6.6	-10.1
Trans. & Public Utilities	40-49	94.2	92.9	+2.3	-1.3	+2.4	-1.4
Trade	50-59	465.1	477.8	+12.3	+12.7	+2.6	+2.7
Wholesale Trade	50-51	99.8	100.4	+1.7	+0.6	+1.7	+0.6
Retail Trade	52-59	365.3	377.4	+10.6	+12.1	+2.9	+3.2
Finance, Ins & Real Estate	60-69	103.8	107.7	+2.5	+3.9	+2.4	+3.6
Services	70-89	419.0	432.9	+14.6	+13.9	+3.5	+3.2
Government	91-97	320.6	325.1	+5.9	+4.5	+1.8	+1.4
Federal Government	-	27.7	28.4	+0.9	+0.7	+3.2	+2.5
State Government	-	82.9	83.5	+2.5	+0.6	+3.0	+0.7
Local Government	-	210.1	213.2	+2.5	+3.1	+1.2	+1.5
Labor-Mgmt. Disputes	-						

r = Revised
p = Preliminary
SIC: Standard Industrial Classification Code Number

Section

D

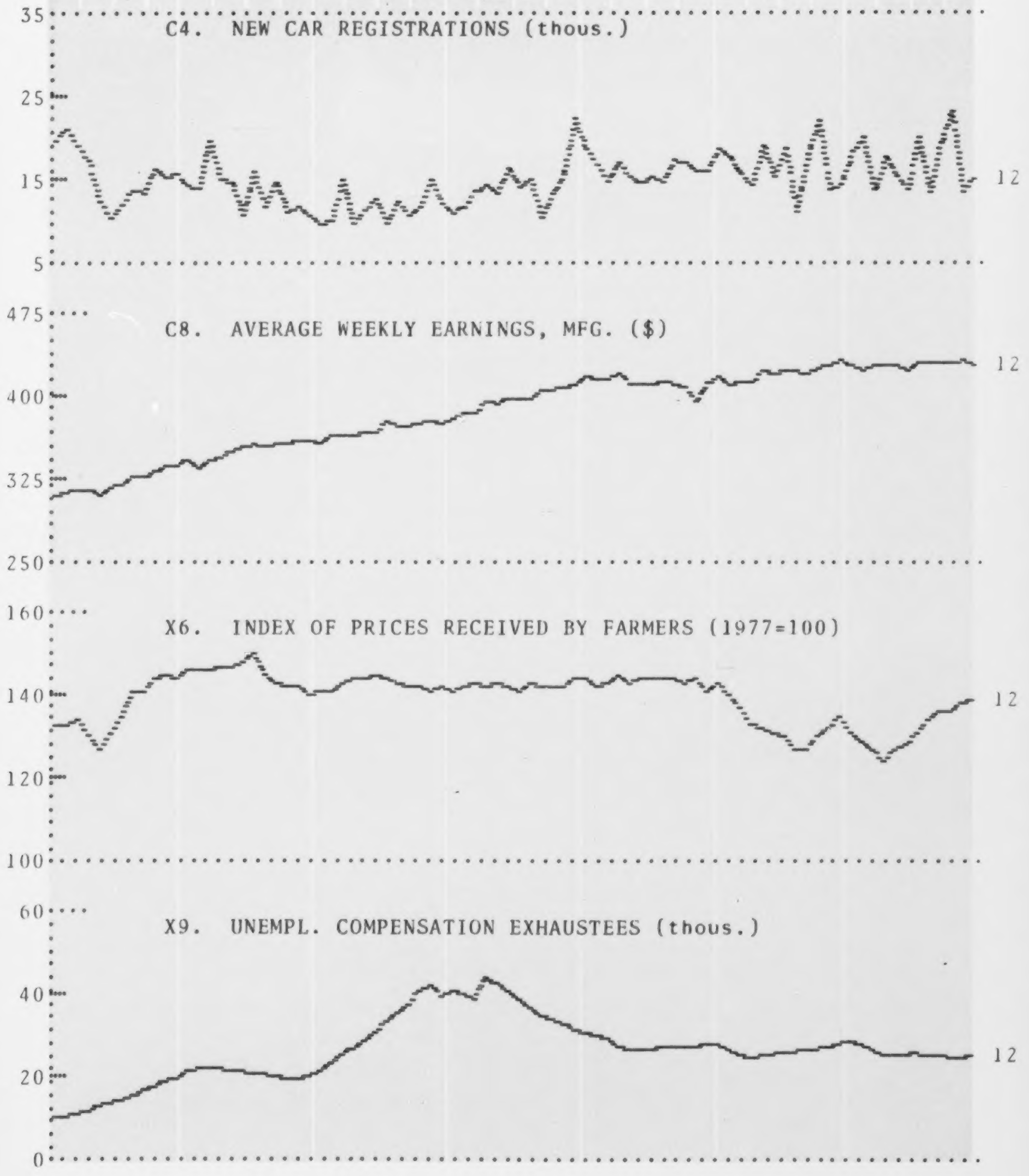
CYCLICAL INDICATORS



Section

D

CYCLICAL INDICATORS



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(Continued from page 10)

be reported as a slight decline. While the turn of events is disappointing, the decline for 1986 is smaller than the 1985 job loss in manufacturing, as the nondurable group developed more jobs during 1986.

Service sector growth continued to be substantial in 1986, but was slightly less robust than in 1985.

Transportation, Communication and Public Utilities gained jobs in 1985, while the group declined in 1986.

Wholesale Trade gained only a few jobs in 1986, after a better performance in 1985. Together these two groups accounted for the reduced performance of the Service Sector in 1986.

4/14/87 S8750-1

WISCONSIN ECONOMIC INDICATORS

FEBRUARY 1987

DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

COVER PHOTO: Courtesy of the State Historical Society of Wisconsin.

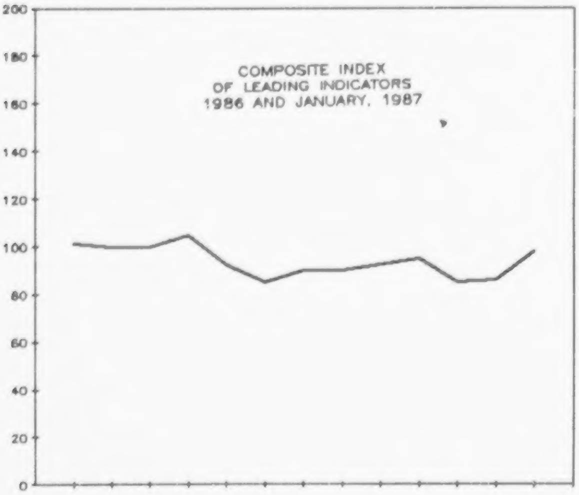
THE WISCONSIN ECONOMY

SUMMARY FOR JANUARY

INDEX OF LEADING INDICATORS

The January composite index of Wisconsin's leading economic indicators jumped up by nearly twelve percentage points and is now at 97.3 percent of the 1979 base-year average of one hundred. Most of the state's leading indicators showed positive change in January, and the two that decreased--manufacturing hours and overtime hours--declined at less than normal January amounts.

The composite index of leading indicators had decreased to the mid-eighties in the past two months, a decrease which had caused concern among labor market analysts.



LEADING INDICATORS

Production workers in Wisconsin's manufacturing industries spent fewer hours on the job in January. The average workweek shortened by four-tenths of an hour. That is only about half of the normal seasonal decline for this month. The weekly average overtime amounted to 3.7 hours--down slightly, but again, a sub-par decrease.

The less-than-normal hours decrease in January accompanied a manufacturing employment level which decreased at a less-than-normal pace. Thus, the state's manufacturing industries somewhat resisted the usual January slump.

The average number of weekly initial claims for unemployment compensation decreased by over 36 hundred in January. That's a large drop for this time of the year. A decrease of between 24 and 25 hundred would be usual this month.

The number of job openings received by Job Service offices throughout the state increased by over one hundred. The calls from employers seeking workers usually decreases in January, so this month's increase is well above the seasonal trend.

The number of new business incorporations grew to 595 in January, an increase of sixty-five from the month earlier number. Incorporations normally do increase in January, but only slightly--a growth of less than ten would have been normal.

The number of building plans examined increased by over one hundred fifty. That is unusual for January, a month in which plans examined usually slows. Building plans for industrial and commercial structures must be examined by state officials for safety purposes. An increase of plans examined foreshadows growth in construction employment.

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
LEADING INDICATORS								
L1 COMPOSITE INDEX OF LEADING INDICATORS								
Seasonally Adjusted	INDEX	97.3	Jan	85.7	101.6	13.5	- 4.2	
L2 AVG. WORK WEEK, MFG.								
Unadjusted	HOURS	41.5	Jan	41.9	41.3	- 1.0	0.5	41.3
Seasonally Adjusted		41.5		41.1	41.3	1.0	0.5	
L3 AVG. OVERTIME HOURS, MFG.								
Unadjusted	HOURS	3.7	Jan	3.8	3.6	- 2.6	2.8	3.6
Seasonally Adjusted		3.7		3.6	3.6	2.8	2.8	
L4 AVG. WEEKLY INITIAL CLAIMS								
Unadjusted	NUMBER	11,137	Jan	14,786	12,693	-24.7	-12.3	8,802
Seasonally Adjusted		8,437		9,331	9,615	- 9.6	-12.3	
L5 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	5,385	Jan	5,269	6,188	2.2	-13.0	7,743
Seasonally Adjusted		7,095		6,624	8,155	7.1	-13.0	
L6 NEW BUSINESS INCORPORATIONS								
Unadjusted	NUMBER	595	Jan	530	575	12.3	3.5	539
Seasonally Adjusted		599		541	579	10.7	3.5	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES								
Unadjusted	NUMBER	1,302	Jan	1,048	1,547	24.2	-15.8	1,276
Seasonally Adjusted		1,258		1,283	2,379	- 1.9	-47.1	
L8 BUILDING PLANS EXAMINED								
Unadjusted	NUMBER	561	Jan	407	465	37.8	20.6	560
Seasonally Adjusted		823		554	682	48.6	20.7	
ROUGHLY COINCIDING INDICATORS								
C1 HELP-WANTED INDEX (MILW.)								
Seasonally Adjusted	INDEX	68	Dec	67	62	1.5	9.7	60
C2 UNEMPLOYMENT RATE, TOTAL								
Unadjusted	PERCENT	7.9	Jan	7.1	8.6	-	-	7.0
Seasonally Adjusted		6.6		6.7	7.2	-	-	
C3 NATURAL GAS SALES								
Unadjusted	MIL. THERMS	325.2	Dec	272.1	480.6	19.5	-32.3	214.6
Seasonally Adjusted		197.7		236.8	292.3	-16.5	-32.4	
C4 NEW CAR REGISTRATIONS								
Unadjusted	NUMBER	15,972	Jan	10,519	16,150	51.8	- 1.1	16,947
Seasonally Adjusted		17,258		15,028	17,452	14.8	- 1.1	
C5 ELECTRIC POWER SALES								
Unadjusted	MIL. KWH	1944.6	Dec	1935.7	1948.0	0.5	- 0.2	1946.0
Seasonally Adjusted		1972.2		1963.2	1976.4	0.5	- 0.2	
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL. DOL.	69.4	Jan	130.7	100.9	-46.9	-31.2	171.0
Seasonally Adjusted		66.7		145.4	96.9	-54.1	-31.2	

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
C7 MANUFACTURING EMPL.								
Unadjusted	THOUS	505.4	Jan	509.9	502.9	- 0.9	0.5	513.0
Seasonally Adjusted		516.2		513.1	513.5	0.6	0.5	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	438.24	Jan	440.37	431.17	- 0.5	1.6	427.38
Seasonally Adjusted		434.33		425.48	427.22	2.1	1.7	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	514.1	Nov	436.2	493.7	17.9	4.1	
Seasonally Adjusted		462.7		429.8	444.5	7.7	4.1	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS.	57.4	Jan	63.3	54.6	- 9.3	5.1	64.0
Seasonally Adjusted		69.7		64.3	66.3	8.4	5.1	
OTHER KEY INDICATORS								
XI BIRTH REGISTRATIONS								
Unadjusted	NUMBER	5,770	Jan	5,615	5,896	2.8	- 2.1	6,033
Seasonally Adjusted		5,438		6,178	5,555	-12.0	- 2.1	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	4,147	Jan	3,618	4,137	14.6	0.2	3,514
Seasonally Adjusted		3,385		3,664	3,376	- 7.6	0.3	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	1,623	Jan	1,997	1,759	-18.7	- 7.7	2,519
Seasonally Adjusted		2,049		2,551	2,221	-19.7	- 7.7	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	1,946	Jan	1,816	2,042	7.2	- 4.7	3,207
Seasonally Adjusted		3,022		3,156	3,169	- 4.2	- 4.6	
X5 CONSUMER PRICE INDEX (MILW.)				(Sep)				
Unadjusted	INDEX	330.7	Nov	332.9	324.3	- 0.7	2.0	331.7
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	134	Jan	136	130	- 1.5	3.1	131
Seasonally Adjusted		131		138	127	- 5.1	3.1	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	2,389	Jan	- 419	1,584	670.2	50.8	1,363
Seasonally Adjusted		1,812		1,861	1,279	- 2.6	41.7	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	1,240	Jan	390	489	217.9	153.6	769
Seasonally Adjusted		2,160		527	852	309.9	153.5	
X9 UNEMPL. COMPENSATION EXHAUSTEES								
Unadjusted	NUMBER	21,143	Jan	22,153	25,626	- 4.6	-17.5	26,223
Seasonally Adjusted		23,756		24,709	28,794	- 3.9	-17.5	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES JANUARY	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2405.7	2423.6	2351.1	- 0.7	2.3
Employment (Inc. Labor Disputes)	2215.2	2251.7	2148.2	- 1.6	3.1
Unemployment	190.6	171.9	202.9	10.9	- 6.1
Unemployment Rate	7.9	7.1	8.6	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2457.5	2424.4	2399.4	1.4	2.4
Employment (Inc. Labor Disputes)	2295.5	2261.5	2227.0	1.5	3.1
Unemployment	161.9	162.9	172.4	- 0.6	- 6.1
Unemployment Rate	6.6	6.7	7.2	-	-

WISCONSIN EMPLOYMENT ESTIMATES JANUARY	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1992.8	2042.8	1952.7	- 2.4	2.1
Unadjusted					
Manufacturing	504.4	509.7	502.4	- 1.0	0.4
Mining	1.5	1.8	1.3	-16.7	15.4
Contract Construction	57.4	63.3	54.6	- 9.3	5.1
Transportation and Public Utilities	90.8	93.9	91.6	- 3.3	- 0.9
Elec., Gas and Sanitary Services	17.4	17.4	17.2	0.0	1.2
Wholesale Trade	101.0	101.9	98.3	- 0.9	2.7
Retail Trade	372.1	392.5	360.0	- 5.2	3.4
General Merchandise	49.3	53.1	49.1	- 7.2	0.4
Finance, Insurance and Real Estate	109.4	109.7	104.5	- 0.3	4.7
Banking	27.8	28.0	27.5	- 0.7	1.1
Insurance	36.4	36.2	34.3	0.6	6.1
Service and Miscellaneous	431.8	438.0	417.8	- 1.4	3.4
Hospitals	67.2	67.3	66.4	- 0.1	1.2
Private Education	22.8	24.6	23.4	- 7.3	- 2.6
Government	324.4	331.9	322.2	- 2.3	0.7
State Government	82.0	85.7	82.3	- 4.3	- 0.4
Local Government	213.8	217.7	212.0	- 1.8	0.8

UNITED STATES LABOR FORCE ESTIMATES JANUARY	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	119,034	118,586	116,794	0.4	1.9
Employment	111,011	110,637	108,892	0.3	1.9
Unemployment	8,023	7,949	7,902	0.9	1.5
Unemployment Rate	6.7	6.7	6.8	-	-

MANUFACTURING EMPLOYMENT ***(Unadjusted)*** JANUARY	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	504.4	509.7	502.4
All Manufacturing (Excluding Canning)	496.3	501.5	494.8
Durable Goods	306.4	309.2	308.0
Lumber and Wood Prod., (Except Furniture)	23.1	23.5	22.6
Sawmills and Planning Mills	3.1	3.1	3.1
Millwork, Veneer, Plywood & Prefab. Wood Prod.	11.6	11.7	11.1
Furniture and Fixtures	10.8	10.6	10.0
Household Furniture	4.5	4.4	4.1
Stone, Clay and Glass Products	7.1	7.7	7.0
Concrete, Gypsum and Plaster Products	2.9	3.4	2.8
Primary Metal Industries	18.6	18.6	19.2
Iron and Steel Foundries	9.5	9.4	10.0
Fabricated Metal Products	50.5	50.8	51.2
Heating Equipment (Except Electrical) & Plumbing Fixtures	6.7	6.8	6.2
Fabricated Structural Metal Products	12.0	11.9	12.5
Metal Stampings	10.5	10.6	10.9
Machinery (Except Electrical)	97.5	97.8	100.0
Engines and Turbines	20.0	19.8	19.1
Farm Machinery and Equipment	11.8	11.7	12.4
Const., Min. & Material Handling Mach. & Equip.	10.6	10.9	11.2
Metalworking Machinery and Equipment	10.7	10.8	11.4
Special Industry Machinery (Except Metalworking)	11.3	11.4	12.3
General Industrial Machinery and Equipment	13.7	13.7	13.6
Service Industry Machines	6.6	6.7	7.4
Electrical Machinery, Equipment and Supplies	47.8	48.4	48.1
Electrical Industrial Apparatus	15.7	15.7	16.4
Household Appliances	6.2	6.4	6.3
Transportation Equipment	31.2	31.5	29.4
Motor Vehicles and Equipment	24.0	23.9	22.6
Instruments and Related Products	11.0	11.0	11.4
Miscellaneous Manufacturing	8.9	9.1	9.0
Nondurable Goods	198.0	200.5	194.4
Food and Kindred Products	57.1	58.8	56.8
Meat Products	13.0	14.2	13.9
Dairy Products	17.0	17.3	16.8
Canning and Preserving	8.1	8.2	7.6
Bakery Products	4.9	4.8	4.2
Beverage Industries	7.4	7.4	7.6
Textile Mill Products	3.5	3.6	3.7
Knitting Mills	2.9	3.1	3.1
Apparel and Other Finished Products	7.0	6.9	6.3
Paper and Allied Products	48.7	49.3	48.0
Pulp and Paper Mills	30.6	31.0	29.7
Converted Paper and Paperboard Products	10.1	10.1	9.9
Paperboard Containers and Boxes	7.0	7.0	7.1
Printing, Publishing and Allied Industries	40.0	40.2	38.7
Newspapers	12.3	12.5	11.9
Commercial Printing	17.2	17.1	16.6
Chemicals and Allied Products	10.6	10.7	10.5
Rubber and Misc. Plastics Products	24.2	24.2	22.8
Miscellaneous Plastics Products	19.8	19.7	18.3
Leather and Leather Products	6.6	6.6	7.3
Leather Tanning and Finishing	1.6	1.6	1.8
Footwear (Except Rubber)	3.1	3.1	3.8
Other Nondurable Goods	-	-	-

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)*	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$438	$440	$431	41.5	41.9	41.3
All Manufacturing (Excl. Canning)	439	443	433	41.5	42.0	41.4
Durable Goods	448	449	441	41.9	42.3	41.5
Lumber/Wood Prod. (Exc. Furn.)	309	309	318	40.1	40.8	40.6
Furniture and Fixtures	324	353	317	40.2	43.2	40.9
Stone, Clay and Glass Products	406	410	411	45.0	44.6	42.3
Primary Metal Industries	444	455	415	43.7	44.6	42.6
Iron and Steel Foundries	440	453	413	44.1	45.7	42.8
Fabricated Metal Products	422	424	415	40.9	41.1	40.2
Fab. Structural Metal Prod.	452	461	439	44.7	44.6	42.5
Metal Stampings	445	444	426	40.5	40.4	39.6
Machinery (Except Electrical)	510	513	508	43.0	43.6	42.9
Engines and Turbines	616	598	590	45.2	45.2	44.0
Farm Machinery and Equip.	541	550	528	42.3	42.4	40.4
Const. and Related Mach.	457	497	489	41.9	45.9	43.2
Metalworking Mach. and Equip.	528	538	538	43.2	43.7	44.0
Spec. Ind. Mach. (Exc. Metal) .	474	502	519	41.0	42.5	44.6
Gen. Industrial Mach. and Equip.	499	497	505	42.5	42.8	41.5
Electrical Mach., Equip. and Supp.	425	413	405	41.7	41.3	40.3
Electrical Industrial Apparatus	441	437	423	41.2	41.4	40.4
Transportation Equipment	569	563	574	41.4	41.4	41.8
Instruments and Related Prod.	349	369	347	39.7	41.3	39.3
Nondurable Goods	422	428	416	40.9	41.4	41.1
Food and Kindred Products	393	405	389	40.1	40.6	40.0
Meat Products	353	361	368	40.5	40.6	40.7
Dairy Products	395	403	382	39.8	40.3	39.4
Textile Mill Products	353	349	307	44.1	44.2	39.8
Apparel and Other Fin. Prod.	245	234	234	38.8	37.5	38.0
Paper and Allied Products	558	569	544	44.5	45.7	45.4
Pulp and Paper Mills	609	613	582	46.0	46.4	46.1
Printing, Pub. and Allied Prod.	417	431	427	37.5	38.5	39.0
Chemicals and Allied Products	470	474	469	40.8	41.0	41.4
Rubber and Misc. Plastics Prod.	329	328	334	40.3	40.1	40.2
Leather and Leather Products.	275	267	251	40.4	40.2	38.5

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* JANUARY	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.56	10.51	10.44	10.11	10.07	9.99
All Manufacturing (Excl. Canning)	10.59	10.54	10.47	10.14	10.10	10.02
Durable Goods	10.70	10.61	10.63	10.29	10.23	10.20
Lumber/Wood Prod. (Exc. Furn.)	7.70	7.57	7.84	–	–	–
Furniture and Fixtures	8.07	8.16	7.75	7.76	7.79	7.48
Stone, Clay and Glass Products	9.02	9.19	9.71	8.73	9.07	9.38
Primary Metal Industries	10.16	10.21	9.74	9.69	9.75	9.32
Iron and Steel Foundries	9.97	9.91	9.66	9.52	9.52	9.36
Fabricated Metal Products	10.32	10.31	10.33	9.96	9.92	9.86
Fab. Structural Metal Prod.	10.11	10.33	10.33	9.68	9.81	9.87
Metal Stampings	10.99	11.00	10.76	10.69	10.64	9.89
Machinery (Except Electrical)	11.85	11.77	11.83	11.24	11.18	11.31
Engines and Turbines	13.63	13.24	13.41	12.57	12.29	12.55
Farm Machinery and Equip.	12.78	12.97	13.08	12.19	12.47	12.70
Const. and Related Mach.	10.91	10.82	11.33	10.57	10.34	10.96
Metalworking Mach. and Equip.	12.23	12.31	12.23	11.73	11.74	11.65
Spec. Ind. Mach. (Exc. Metal) .	11.56	11.81	11.64	11.12	11.30	10.99
Gen. Industrial Mach. and Equip.	11.74	11.62	12.17	11.36	11.21	11.61
Electrical Mach., Equip. and Supp.	10.19	10.01	10.05	9.80	9.74	9.76
Electrical Industrial Apparatus	10.71	10.56	10.48	10.67	10.49	10.23
Transportation Equipment	13.75	13.61	13.73	13.18	13.05	13.18
Instruments and Related Prod.	8.78	8.93	8.84	8.60	8.70	8.69
Nondurable Goods	10.33	10.34	10.13	9.82	9.81	9.63
Food and Kindred Products	9.81	9.97	9.72	9.34	9.44	9.24
Meat Products	8.71	8.89	9.05	8.40	8.49	8.56
Dairy Products	9.92	10.01	9.68	9.48	9.53	9.30
Textile Mill Products	8.01	7.89	7.71	7.69	7.54	7.45
Apparel and Other Fin. Prod.	6.32	6.24	6.17	6.18	6.12	6.13
Paper and Allied Products	12.53	12.45	11.98	11.82	11.80	11.36
Pulp and Paper Mills	13.25	13.22	12.62	12.49	12.52	11.99
Printing, Pub. and Allied Prod.	11.12	11.19	10.95	–	–	–
Chemicals and Allied Products	11.51	11.55	11.33	11.29	11.25	11.09
Rubber and Misc. Plastics Prod.	8.16	8.17	8.32	7.87	7.87	8.02
Leather and Leather Products.	6.81	6.65	6.52	6.66	6.55	6.32

Section

C SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. **Production Workers** *(Unadjusted)*	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$401	$409	$395	40.8	41.6	40.7	9.83	9.84	9.70	-	-
Wisconsin	438	440	431	41.5	41.9	41.3	10.56	10.51	10.44	10.11	10.07
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	455	456	446	42.5	42.7	43.9	10.70	10.69	10.16	10.14	10.21
Beloit (City)	427	438	396	41.3	42.5	41.6	10.33	10.31	9.51	-	-
Eau Claire (Eau Claire-Chippewa)	429	427	412	41.1	41.0	39.4	10.43	10.41	10.46	10.28	10.13
Fond du Lac (County)	410	436	397	41.2	44.4	41.6	9.94	9.83	9.54	9.53	9.25
Green Bay (Brown County)	471	494	486	41.3	42.4	42.6	11.40	11.64	11.40	10.48	10.72
Janesville (City)	509	502	577	38.5	38.6	40.9	13.21	13.00	14.10	13.17	12.94
Janesville-Beloit (Rock County)	472	472	509	39.1	39.6	41.1	12.06	11.91	12.38	11.84	11.65
Kenosha (County)	477	480	406	40.7	41.0	38.7	11.73	11.70	10.49	11.19	11.19
La Crosse (County)	359	371	353	40.1	39.4	39.4	8.96	9.42	8.96	8.73	9.04
Madison (Dane County)	396	404	401	40.3	40.8	40.9	9.83	9.90	9.81	9.53	9.55
Manitowoc (County)	391	405	377	40.1	41.5	39.0	9.74	9.75	9.66	9.50	9.49
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	492	494	487	41.6	42.3	41.5	11.82	11.68	11.74	11.20	11.06
Racine (County)	459	454	438	42.4	41.9	39.6	10.83	10.83	11.05	10.65	10.45
Sheboygan (County)	398	425	380	41.8	43.6	40.2	9.52	9.75	9.45	8.94	9.38
Wausau (Marathon County)	421	416	411	42.4	42.4	41.3	9.92	9.81	9.96	9.46	9.31

EMPLOYMENT, MFG. *(Unadjusted)* JANUARY	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,023.0	19,172.0	19,140.0	- 0.8	- 0.6
Wisconsin	504.4	509.7	502.4	- 1.0	0.4
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	47.7	48.1	48.0	- 0.8	- 0.6
Beloit (City)	4.4	4.5	5.3	- 2.2	-17.0
Eau Claire (Eau Claire-Chippewa)	9.9	10.3	9.5	- 3.9	4.2
Fond du Lac (County)	10.3	10.3	9.9	0.0	4.0
Green Bay (Brown County)	23.5	23.9	23.7	- 1.7	- 0.8
Janesville (City)	10.0	10.6	10.9	- 5.7	- 8.3
Janesville-Beloit (Rock County)	16.4	16.7	17.7	- 1.8	- 7.3
Kenosha (County)	11.3	11.3	9.7	0.0	16.5
La Crosse (County)	9.9	10.1	10.3	- 2.0	- 3.9
Madison (Dane County)	21.4	21.4	20.4	0.0	4.9
Manitowoc (County)	10.6	11.0	11.7	- 3.6	- 9.4
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	166.7	167.9	169.2	- 0.7	- 1.5
Racine (County)	24.1	24.3	25.2	- 0.8	- 4.4
Sheboygan (County)	18.8	18.8	18.3	0.0	2.7
Wausau (Marathon County)	12.0	12.2	11.3	- 1.6	6.2

WISCONSIN'S ECONOMIC OUTLOOK

by David H. Peterson and Gene Schubert
Department of Revenue

Recent economic indicators continue to point to moderate growth and gradually rising inflation in the national economy over the next two years. The current forecast is little changed from the forecast released last November. The projected growth rate of real Gross National Product (GNP) is 2.7 percent for 1987. Inflation as measured by the Consumer Price Index is expected to increase from 1.9 percent in 1986 to 3.5 percent in 1987 and 4.3 percent in 1988.

The sources of economic growth in 1987 are expected to differ significantly from 1986. In 1986, growth in consumption and housing offset the weakness resulting from the massive trade deficit. In 1987, consumption and government spending are forecast to weaken. This weakness, however, is expected to be offset by strong growth in exports and a flattening out of imports as the trade picture gradually improves.

On the financial side, interest rates are expected to stabilize near current levels. The Federal Reserve Board appears to be following a "steady as she goes" policy under the assumption that recent declines in interest rates and the value of the dollar should provide sufficient stimulus for economic expansion. If economic growth falters, further interest rate declines would be likely. Conversely if the economy appears to be growing too rapidly, a modest tightening by the Fed would be expected in order to counter inflationary pressures.

The current forecast calls for real consumption spending (adjusted for inflation) to increase by 1.8 percent in 1987 and 2.2 percent in 1988. These are much slower growth rates than the 3.5 percent to 4.0 percent experienced in recent years. This slowdown is projected to occur because in recent years consumption spending has been rising faster than income. In the process, consumers have increased their debt levels and reduced their savings, leaving little room for large increases in consumption spending in the near future. Furthermore, the recent decline in the value of the dollar is expected to translate into higher prices for imported goods which will also crimp consumption spending.

On the positive side, steady employment growth and continued consumer confidence should prevent the adjustment in consumption spending from turning into a full scale retrenchment which would push the economy into recession.

Residential investment is expected to be a source of weakness in the forecast period. Residential investment is forecast to decline 0.6 percent in 1987 and then to grow by 2.0 percent in 1988. Although single family housing starts are expected to continue at the 1.2 million pace of 1986, considerable weakness should develop in multi-family housing. This decline in multi-family housing starts is largely attributable to changes in the Federal income tax code. Longer depreciation lives will reduce tax incentives for investment in multi-family housing. Additional weakness in the multi-family sector is expected from reductions in Federal government subsidies for low income and elderly housing projects.

Business investment is also expected to be a source of weakness during the forecast period, particularly in 1987. A number of factors will contribute to this weakness. First, investment incentives will weaken. The investment tax credit was repealed and the tax credits for depreciating factories and equipment must be claimed at a slower rate. Second, production facilities are now operating at a relatively low level of capacity. We can increase production in existing shops and factories without building new ones. Third, although oil prices appear to have stabilized, investment in petroleum exploration is expected to continue to decline in 1987. Fourth, commercial and office buildings are in oversupply in many markets. The overbuilding in previous years was in part induced by tax incentives which have now been repealed.

Investment in business equipment is forecast to grow by 2.8 percent in 1987 and 4.8 percent in 1988. Investment in nonresidential construction is forecast to decline by 8.3 percent in 1987 and then rebound weakly in 1988, growth by 1.2 percent.

Government spending is expected to be a drag on growth in 1987. Real federal government expenditures are expected to grow by 0.9 percent in 1987 and decline by 1.4 percent in 1988 as Congress and the President struggle to meet the Gramm-Rudman-Hollings targets. Although the targets will not be met, some reduction in the deficit is expected. The deficit is expected to decline from $220 billion in FY 1986, to $187 billion in FY 1987, and $160 billion in FY 1988.

The bright spot in the forecast is the foreign sector. Although the dollar has not declined uniformly against all currencies, the nearly 40 percent decline in value of the dollar in relation to the Japanese yen and German mark from its March 1985 peak should have a significant effect on U.S. exports and imports in 1987. Exports are expected to increase 11 percent in both 1987 and 1988. By contrast imports are expected to grow only 0.2 percent in 1987 and 1.1 percent in 1988. The decline in imports from Europe and Japan will be tempered by increases from Asian and Latin American countries whose currencies have not risen relative to the dollar.

The merchandise trade deficit is projected to slowly recede from $170 billion in 1986 to $152 billion by 1988. In 1987, 40 percent of the growth in real GNP is forecast to come from the improvement in foreign trade.

Wisconsin Outlook.

The current forecast for the Wisconsin economy remains one of moderate growth in employment and income. Total Wisconsin nonfarm employment is projected to increase by 1.8 percent in 1987 and 2.0 percent in 1988. The composition of employment growth is expected to follow recent patterns with nearly 75 percent of the net gain occurring in trade and services. Modest gains of 6,400 (17.7 percent of the total net gain) are also expected in manufacturing as an anticipated stimulus from a lower dollar adds to orders and sales.

SOURCES OF EMPLOYMENT GROWTH FOR 1987
RANKED BY INDUSTRY

	Net Gain (1,000)	Percent of Net Gain
Services	15.8	43.6
Trade	10.6	29.3
Nondurable Mfg.	4.2	11.6
F.I.R.E.	3.6	9.9
Durable Mfg.	2.2	6.1
Government	0.6	1.7
Trans., Comm., P.U.	0.1	0.3
Mining	0.0	0.0
Construction	-0.9	-2.5
Total	36.2	100.0

Wisconsin's personal income's major weakness is associated with interest income which is expected to decline by

(Continued on back cover)

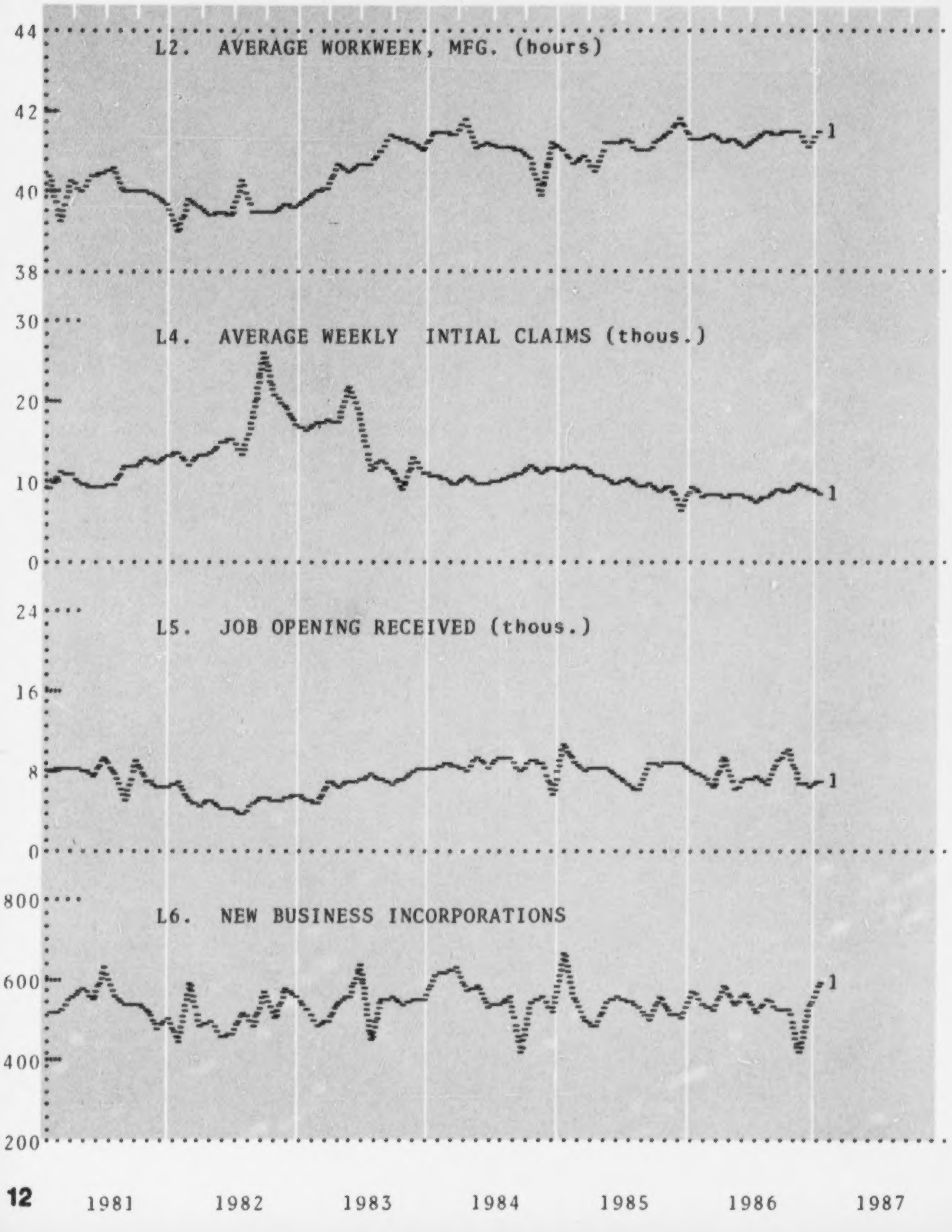
WISCONSIN EMPLOYMENT FORECAST
(Thousands of Workers, Annual Average)

	1985	1986	1987	1988
MANUFACTURING	514.9	517.4	523.8	532.8
DURABLES	315.5	315.1	317.3	322.6
LUMBER PRODUCTS	22.6	23.7	24.1	24.4
STONE, CLAY, GLASS	7.8	8.0	8.4	8.6
PRIMARY METALS	19.3	18.8	18.3	18.1
FABRICATED METALS	51.4	51.8	51.8	53.1
NON-ELECT. MACHINERY	100.1	100.0	97.1	98.5
ELECTRICAL MACHINERY	50.2	49.4	50.1	52.2
TRANS. EQUIPMENT	32.8	31.7	35.7	35.7
OTHER DURABLES	31.4	31.6	31.8	32.0
NONDURABLES	199.4	202.3	206.5	210.3
FOOD PRODUCTS	62.5	61.7	60.9	60.9
PAPER PRODUCTS	48.1	48.9	50.3	51.8
PRINTING & PUBLISHING	38.2	39.1	40.5	42.3
CHEMICALS	10.0	9.9	10.0	10.4
RUBBER & PLASTICS	22.6	25.0	27.2	27.5
OTHER NONDURABLES	18.1	17.7	17.7	17.5
MINING	2.2	2.5	2.5	2.4
CONSTRUCTION	62.8	65.1	64 2	64.5
TRANS., COMM., UTILITIES	93.7	94.8	94.9	95.7
FINANCE, INSUR., REAL EST.	104.2	108.0	111.6	114.4
TRADE	462.5	471.6	482.2	492.7
SERVICES	415.2	427.9	443.7	463.0
GOVERNMENT	322.2	327.3	327.9	326.7
TOTAL EMPLOYMENT (Nonfarm)	1977.5	2014.7	2050.7	2092.5

Section

D

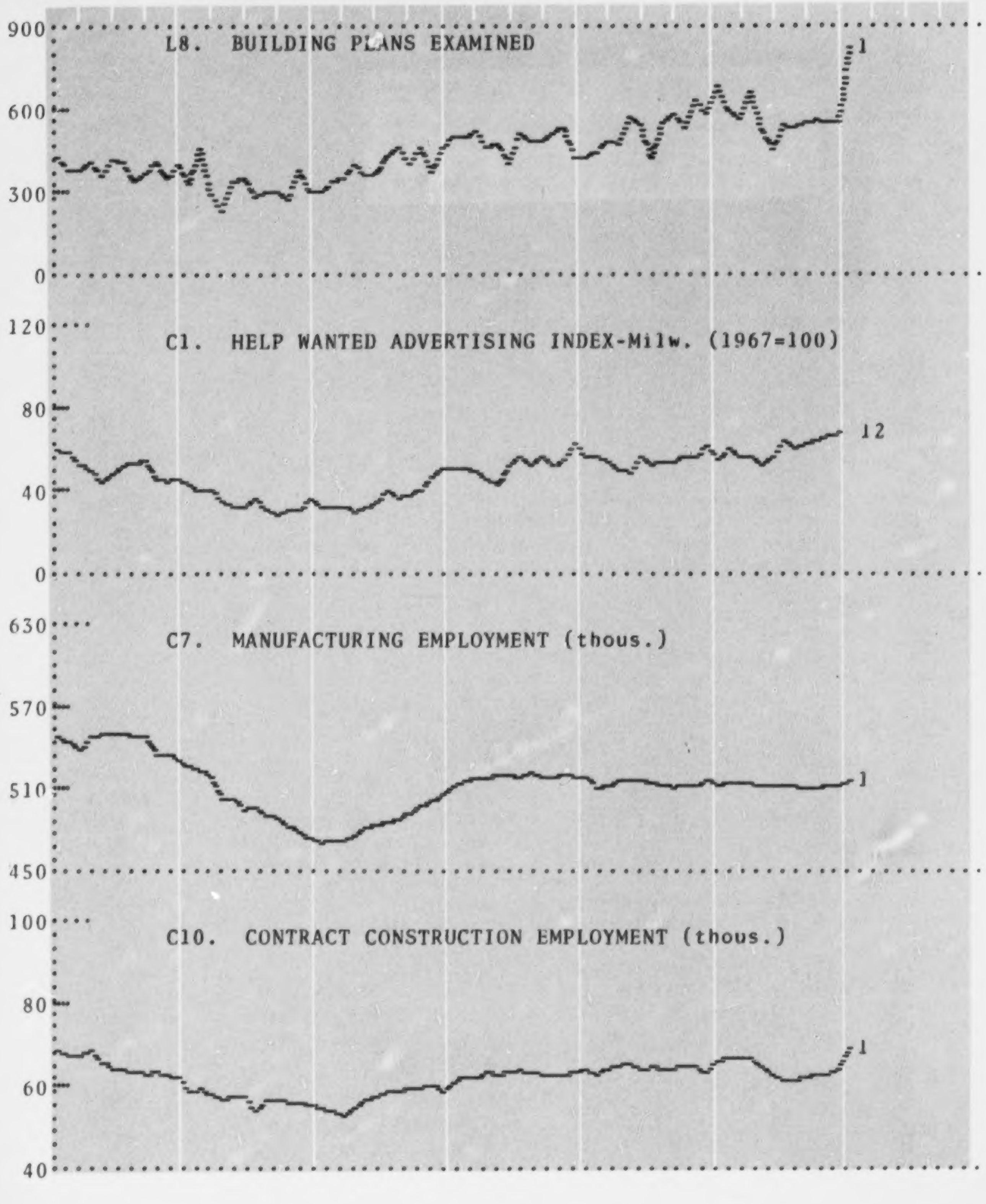
CYCLICAL INDICATORS



Section

D

CYCLICAL INDICATORS



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(Continued from page 10)

1.1 percent this year after a decline of 1.6 percent in 1986. This is the consequence of lower interest rates and is the flip-side to the stimulus that declining interest rates provide to generating additional economic growth.

Other components of Wisconsin income are expected to show growth in modest amounts consistent with the overall forecast of steady but moderate growth. It should be noted that after-tax income growth in Wisconsin should do slightly better than before-tax income growth, owing to the latest rounds of tax cuts at the federal level. The additional spendable income from the federal personal income tax cuts can be expected to provide a slight boost to consumer spending. However spending will undoubtedly be tempered by the current high levels of consumer debt and low saving rates.

4/27/87 S8750-1

WISCONSIN ECONOMIC INDICATORS

MARCH 1987

DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	**SOURCE**
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Regisgtgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

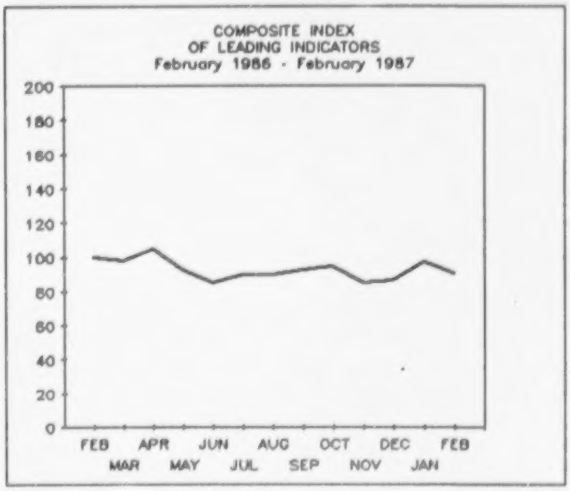
COVER PHOTO: Courtesy of Wisconsin Division of Tourism Development

THE WISCONSIN ECONOMY

SUMMARY FOR FEBRUARY

INDEX OF LEADING INDICATORS

Wisconsin's Composite Index of Leading Indicators decreased by 6.4 percentage points in February. While that is a large amount of change in a single month, most leading indicators showed positive, albeit weak, movement. What caused the index to decline was a large drop in the number of building plans examined, an indicator of future construction employment. And what may give lie to this month's index is the Federal dispersion of highway construction funds which could translate to about 1,200 construction jobs in Wisconsin.


COMPOSITE INDEX
OF LEADING INDICATORS
February 1986 - February 1987

LEADING INDICATORS

Production workers in Wisconsin's manufacturing industries spent slightly fewer hours on the job in February. The decrease in the average workweek was less than normal for February--from 41.3 to 41.2 hours per week, so the hours trend is actually up. Any workweek average above forty-one hours is good. And, coupled with the slight decrease of hours was a growth in the number of workers employed in manufacturing.

The amount of weekly overtime remained the same as one month ago. A slight decrease in the average weekly overtime is usual from January to February.

The number of laid off workers making initial claims for unemployment compensation dropped by over three thousand per week in February. The 8,050 average weekly initial claims level in February dropped from 11,137 one month earlier. Had the claims level decreased according to the normal seasonal trend, this month's average would have decreased by about 23 hundred.

The number of job openings received by state Job Service offices decreased a bit in February. Calls for workers at the public job-worker exchange normally do decrease this month, and when adjusted for the seasonal trend, the job recruiting indication is up.

The number of new business incorporations remained about even in February and that is an improvement on usual seasonal decline. A decrease of about fifty would have been normal.

The net gain in business telephone access lines increased in February, indicating a growth in the number of business places. The increase, however, was below par for this month.

The number of building plans inspected for commercial and industrial structures decreased by nearly two hundred. That is well below the seasonal trend, which dictates a decrease of only about twenty during the January-to-February period.

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
LEADING INDICATORS								
L1 COMPOSITE INDEX OF LEADING INDICATORS								
Seasonally Adjusted	INDEX	90.3	Feb	96.7	99.6	- 6.6	- 9.3	93.0
L2 AVG. WORK WEEK, MFG.								
Unadjusted	HOURS	41.2	Feb	41.3	41.1	- 0.2	- 0.2	41.3
Seasonally Adjusted		41.4		41.3	41.3	0.2	0.2	
L3 AVG. OVERTIME HOURS, MFG.								
Unadjusted	HOURS	3.6	Feb	3.6	3.5	0.0	2.9	3.6
Seasonally Adjusted		3.7		3.6	3.6	2.8	2.8	
L4 AVG. WEEKLY INITIAL CLAIMS								
Unadjusted	NUMBER	8,050	Feb	11,137	8,674	-27.7	- 7.2	8,802
Seasonally Adjusted		7,726		8,437	8,326	- 8.4	- 7.2	
L5 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	5,301	Feb	5,385	5,533	- 1.6	- 4.2	7,743
Seasonally Adjusted		7,322		7,095	7,639	3.2	- 4.1	
L6 NEW BUSINESS INCORPORATIONS								
Unadjusted	NUMBER	594	Feb	595	494	- 0.2	-20.2	539
Seasonally Adjusted		656		599	546	9.5	20.1	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES								
Unadjusted	NUMBER	1,474	Feb	1,302	70	13.2	2005.7	1,276
Seasonally Adjusted		1,248		1,258	2,313	- 0.8	-46.0	
L8 BUILDING PLANS EXAMINED								
Unadjusted	NUMBER	364	Feb	561	390	-35.1	- 6.7	560
Seasonally Adjusted		552		823	591	-32.9	- 6.6	
ROUGHLY COINCIDING INDICATORS								
C1 HELP-WANTED INDEX (MILW.)								
Seasonally Adjusted	INDEX	69	Feb	66	60	- 4.5	-15.0	60
C2 UNEMPLOYMENT RATE, TOTAL								
Unadjusted	PERCENT	8.0	Feb	8.0	8.8	-	-	7.0
Seasonally Adjusted		6.6		6.6	7.3	-	-	
C3 NATURAL GAS SALES								
Unadjusted	MIL. THERMS	344.3	Jan	325.2	447.3	5.9	-23.0	214.6
Seasonally Adjusted		178.8		200.4	232.2	-10.8	-23.0	
C4 NEW CAR REGISTRATIONS								
Unadjusted	NUMBER	11,098	Feb	15,972	14,953	-30.5	-25.8	16,947
Seasonally Adjusted		13,843		17,258	18,648	-19.8	-25.8	
C5 ELECTRIC POWER SALES								
Unadjusted	MIL. KWH	1,958.3	Jan	1944.6	1902.6	0.7	2.9	1,946.0
Seasonally Adjusted		1,948.6		1978.8	1893.1	- 1.5	2.9	
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL. DOL.	69.4	Jan	130.7	100.9	-46.9	-31.2	171.0
Seasonally Adjusted		66.7		145.4	96.9	-54.1	-31.2	

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
C7 MANUFACTURING EMPL.								
Unadjusted	THOUS.	506.6	Feb	505.5	502.7	0.2	0.8	513.0
Seasonally Adjusted		518.5		516.3	514.6	0.4	0.8	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	436.31	Feb	436.95	427.03	- 0.1	2.2	427.38
Seasonally Adjusted		435.00		433.05	425.59	0.5	2.2	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	477.1	Dec	492.1	493.1	- 3.0	- 3.2	416.8
Seasonally Adjusted		443.8		438.6	459.3	1.2	- 3.4	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS.	55.3	Feb	57.6	52.1	- 4.0	6.1	64.0
Seasonally Adjusted		71.0		70.0	66.9	1.4	6.1	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	5,279	Feb	5,770	5,419	- 8.5	- 2.6	6,033
Seasonally Adjusted		5,885		5,438	6,043	8.2	- 2.6	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3,392	Feb	4,147	3,455	-18.2	- 1.8	3,514
Seasonally Adjusted		3,368		3,385	3,431	- 0.5	- 1.8	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	1,887	Feb	1,623	1,964	16.3	- 3.9	2,519
Seasonally Adjusted		2,371		2,049	2,468	15.7	- 4.0	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	1,667	Feb	1,946	1,492	-14.3	11.7	3,207
Seasonally Adjusted		3,473		3,022	3,108	14.9	11.7	
X5 CONSUMER PRICE INDEX (MILW.)								
Unadjusted	INDEX	330.7	Nov	(Sep) 332.9	333.9	- 0.7	- 1.0	331.7
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	134	Feb	135	128	- 0.7	4.7	131
Seasonally Adjusted		131		132	128	- 0.8	2.3	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	669	Feb	2,389	444	-72.0	50.7	1,363
Seasonally Adjusted		1,472		1,812	1,116	-18.8	-31.9	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	1,240	Feb	1,240	489	0.0	153.6	769
Seasonally Adjusted		3,962		2,160	1,563	83.4	153.5	
X9 UNEMPL. COMPENSATION EXHAUSTEES	NUMBER							
Unadjusted		20,607	Feb	21,143	26,026	- 2.5	-20.8	26,223
Seasonally Adjusted		21,969		23,756	27,738	- 7.5	-20.8	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest * Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2404.8	2406.1	2345.5	0.1	2.5
Employment (Inc. Labor Disputes)	2213.1	2214.2	2139.0	-0.0	3.5
Unemployment	191.7	191.9	206.5	-0.1	-7.2
Unemployment Rate	8.0	8.0	8.8	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2467.9	2457.5	2402.5	0.4	2.7
Employment (Inc. Labor Disputes)	2305.3	2294.5	2227.3	0.5	3.5
Unemployment	162.6	163.0	175.2	-0.2	-7.2
Unemployment Rate	6.6	6.6	7.3	-	-

WISCONSIN EMPLOYMENT ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1999.1	1991.8	1956.6	0.4	2.2
Unadjusted					
Manufacturing	505.6	504.5	502.2	0.2	0.7
Mining	1.4	1.5	1.2	-6.7	16.7
Contract Construction	55.3	57.6	52.1	-4.0	6.1
Transportation and Public Utilities	90.6	90.7	91.3	-0.1	-0.8
Elec., Gas and Sanitary Services	17.3	17.4	17.2	-0.6	0.6
Wholesale Trade	100.1	100.5	97.8	-0.4	2.4
Retail Trade	368.8	371.9	356.5	-0.8	3.5
General Merchandise	48.4	49.3	47.3	-1.8	2.3
Finance, Insurance and Real Estate	108.8	109.0	104.6	-0.2	4.0
Banking	27.6	27.8	27.5	-0.7	0.4
Insurance	35.9	36.1	34.3	-0.6	4.7
Service and Miscellaneous	434.1	431.6	421.2	0.6	3.1
Hospitals	67.8	67.2	66.3	0.9	2.3
Private Education	24.1	23.0	25.5	4.8	-5.5
Government	334.5	324.5	329.8	3.1	1.4
State Government	86.7	82.2	84.5	5.5	2.6
Local Government	219.3	213.8	217.3	2.6	0.9

UNITED STATES LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	119,349	119,034	117,042	0.3	2.0
Employment	111,382	111,011	108,557	0.3	2.6
Unemployment	7,967	8,023	8,485	-0.7	-6.1
Unemployment Rate	6.7	6.7	7.2	-	-

* Latest month data are preliminary

MANUFACTURING EMPLOYMENT ***(Unadjusted)*** FEBRUARY	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	505.6	504.5	502.2
All Manufacturing (Excluding Canning)	497.6	496.4	494.5
Durable Goods	308.5	306.6	308.0
Lumber and Wood Prod., (Except Furniture)	23.5	23.1	22.5
Sawmills and Planning Mills	3.0	3.1	3.0
Millwork, Veneer, Plywood & Prefab. Wood Prod.	11.6	11.6	11.0
Furniture and Fixtures	10.7	10.8	10.2
Household Furniture	4.5	4.4	4.2
Stone, Clay and Glass Products	7.2	7.2	6.9
Concrete, Gypsum and Plaster Products	2.9	2.9	2.7
Primary Metal Industries	18.6	18.6	19.4
Iron and Steel Foundries	9.5	9.5	10.0
Fabricated Metal Products	50.4	50.6	51.0
Heating Equipment (Except Electrical) & Plumbing Fixtures	6.8	6.8	6.2
Fabricated Structural Metal Products	11.9	12.0	12.4
Metal Stampings	10.5	10.5	10.7
Machinery (Except Electrical)	98.6	97.5	100.1
Engines and Turbines	20.1	20.0	19.2
Farm Machinery and Equipment	11.8	11.8	12.4
Const., Min. & Material Handling Mach. & Equip.	11.0	10.6	11.2
Metalworking Machinery and Equipment	10.7	10.7	11.3
Special Industry Machinery (Except Metalworking)	11.5	11.3	12.2
General Industrial Machinery and Equipment	13.7	13.7	13.6
Service Industry Machines	6.6	6.6	7.3
Electrical Machinery, Equipment and Supplies	47.5	47.9	48.3
Electrical Industrial Apparatus	15.6	15.7	16.4
Household Appliances	6.1	6.2	6.3
Transportation Equipment	32.6	31.2	29.2
Motor Vehicles and Equipment	25.1	24.0	22.1
Instruments and Related Products	10.8	11.0	11.3
Miscellaneous Manufacturing	8.9	8.8	9.1
Nondurable Goods	197.0	197.9	194.2
Food and Kindred Products	56.4	57.0	56.7
Meat Products	12.8	12.9	13.9
Dairy Products	16.9	17.0	16.8
Canning and Preserving	8.0	8.1	7.7
Bakery Products	4.8	4.9	4.2
Beverage Industries	7.2	7.4	7.5
Textile Mill Products	3.4	3.5	3.7
Knitting Mills	2.8	2.9	3.2
Apparel and Other Finished Products	6.8	7.0	6.3
Paper and Allied Products	48.5	48.6	47.8
Pulp and Paper Mills	30.4	30.5	29.5
Converted Paper and Paperboard Products	10.1	10.1	10.0
Paperboard Containers and Boxes	7.0	7.0	7.1
Printing, Publishing and Allied Industries	40.1	40.1	38.8
Newspapers	12.3	12.3	11.9
Commercial Printing	17.2	17.2	16.8
Chemicals and Allied Products	10.8	10.7	10.3
Rubber and Misc. Plastics Products	24.2	24.2	23.1
Miscellaneous Plastics Products	19.8	19.8	18.7
Leather and Leather Products	6.5	6.6	7.1
Leather Tanning and Finishing	1.6	1.6	1.8
Footwear (Except Rubber)	3.0	3.1	3.6
Other Nondurable Goods	–	–	–

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS (Unadjusted) FEBRUARY	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$436	$437	$427	41.2	41.3	41.1
All Manufacturing (Excl. Canning)	438	439	428	41.2	41.4	41.1
Durable Goods	447	449	437	41.6	41.8	41.4
Lumber/Wood Prod. (Exc. Furn.)	320	321	320	40.2	40.3	40.4
Furniture and Fixtures	331	326	315	41.3	40.4	40.9
Stone, Clay and Glass Products	408	408	411	44.8	45.4	41.9
Primary Metal Industries	446	445	417	43.5	43.5	42.5
Iron and Steel Foundries	446	440	416	44.2	44.1	42.4
Fabricated Metal Products	416	423	417	40.4	41.0	40.4
Fab. Structural Metal Prod.	428	451	438	42.8	44.6	42.1
Metal Stampings	454	449	428	40.9	40.9	39.8
Machinery (Except Electrical)	511	511	503	43.1	43.1	42.7
Engines and Turbines	617	616	575	45.3	45.2	42.9
Farm Machinery and Equip.	534	541	529	41.8	42.3	41.8
Const. and Related Mach.	461	457	490	42.2	41.9	43.7
Metalworking Mach. and Equip.	538	532	528	43.7	43.5	43.3
Spec. Ind. Mach. (Exc. Metal) .	482	474	511	41.7	41.0	43.7
Gen. Industrial Mach. and Equip.	499	499	502	42.6	42.6	41.0
Electrical Mach., Equip. and Supp.	419	422	400	41.0	41.4	40.4
Electrical Industrial Apparatus	437	441	422	41.1	41.2	40.9
Transportation Equipment	552	569	552	40.3	41.4	41.0
Instruments and Related Prod.	351	350	363	39.9	39.9	40.3
Nondurable Goods	419	420	409	40.5	40.6	40.5
Food and Kindred Products	389	393	382	39.8	40.0	39.4
Meat Products	349	352	358	40.0	40.2	39.6
Dairy Products	391	392	384	39.8	39.5	39.6
Textile Mill Products	328	353	290	41.2	44.1	39.1
Apparel and Other Fin. Prod.	237	245	239	37.7	38.8	39.3
Paper and Allied Products	557	554	530	44.6	44.4	44.2
Pulp and Paper Mills	605	605	573	45.9	45.7	54.1
Printing, Pub. and Allied Prod.	411	414	418	36.9	37.1	38.6
Chemicals and Allied Products	479	468	461	41.2	40.5	40.5
Rubber and Misc. Plastics Prod.	330	327	329	40.2	40.1	39.3
Leather and Leather Products.	255	255	250	37.5	37.3	38.1

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* FEBRUARY	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.59	10.58	10.39	10.14	10.12	9.96
All Manufacturing (Excl. Canning)	10.62	10.61	10.42	10.17	10.15	10.00
Durable Goods	10.74	10.73	10.56	10.32	10.30	10.16
Lumber/Wood Prod. (Exc. Furn.)	7.97	7.96	7.92	–	–	–
Furniture and Fixtures	8.01	8.07	7.71	7.73	7.75	7.47
Stone, Clay and Glass Products	9.10	8.99	9.80	8.80	8.68	9.45
Primary Metal Industries	10.25	10.23	9.82	9.79	9.77	9.37
Iron and Steel Foundries	10.08	9.97	9.82	9.60	9.52	9.46
Fabricated Metal Products	10.30	10.32	10.33	9.98	9.96	9.95
Fab. Structural Metal Prod.	10.00	10.11	10.40	9.62	9.68	9.94
Metal Stampings	11.11	10.99	10.76	10.74	10.68	10.45
Machinery (Except Electrical)	11.85	11.85	11.77	11.23	11.23	11.26
Engines and Turbines	13.63	13.63	13.41	12.52	12.57	12.62
Farm Machinery and Equip.	12.78	12.78	12.65	12.34	12.19	12.24
Const. and Related Mach.	10.92	10.91	11.22	10.57	10.57	10.78
Metalworking Mach. and Equip.	12.30	12.23	12.20	11.80	11.72	11.69
Spec. Ind. Mach. (Exc. Metal) .	11.56	11.57	11.69	11.08	11.13	11.01
Gen. Industrial Mach. and Equip.	11.71	11.71	12.25	11.29	11.32	11.74
Electrical Mach., Equip. and Supp.	10.21	10.20	9.90	9.84	9.83	9.63
Electrical Industrial Apparatus	10.64	10.71	10.32	10.57	10.67	10.08
Transportation Equipment	13.69	13.75	13.46	13.17	13.18	13.00
Instruments and Related Prod.	8.80	8.78	9.00	8.66	8.59	8.80
Nondurable Goods	10.35	10.34	10.09	9.84	9.82	9.62
Food and Kindred Products	9.78	9.83	9.70	9.32	9.37	9.25
Meat Products	8.73	8.76	9.03	8.43	8.45	8.72
Dairy Products	9.83	9.93	9.69	9.39	9.49	9.26
Textile Mill Products	7.97	8.01	7.41	7.71	7.69	7.26
Apparel and Other Fin. Prod.	6.29	6.32	6.09	6.17	6.18	5.97
Paper and Allied Products	12.48	12.48	11.98	11.76	11.76	11.36
Pulp and Paper Mills	13.17	13.24	12.70	12.37	12.44	12.06
Printing, Pub. and Allied Prod.	11.15	11.15	10.82	–	–	–
Chemicals and Allied Products	11.62	11.55	11.39	11.34	11.32	11.17
Rubber and Misc. Plastics Prod.	8.21	8.15	8.37	7.91	7.87	8.12
Leather and Leather Products.	6.80	6.83	6.55	6.62	6.65	6.33

Section

C

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. **Production Workers** *(Unadjusted)*	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$401	$401	$391	40.7	40.8	40.3	9.85	9.83	9.70	-	-
Wisconsin	436	437	427	41.2	41.3	41.1	10.59	10.58	10.39	10.14	10.12
Selected Areas											
Appleton-Oshkosh (Calumet-	453	453	431	42.3	42.5	42.2	10.71	10.67	10.21	10.20	10.11
Winnebago-Outagamie)	453	453	431	42.3	42.5	42.2	10.71	10.67	10.21	10.20	10.11
Beloit (City)	430	427	407	41.8	41.4	41.8	10.28	10.32	9.74	-	-
Eau Claire (Eau Claire-Chippewa)	417	425	412	39.5	40.6	40.1	10.55	10.47	10.28	10.17	10.33
Fond du Lac (County)	398	410	383	40.2	41.2	39.7	9.91	9.94	9.64	9.55	9.51
Green Bay (Brown County)	475	471	481	41.8	41.3	42.1	11.37	11.41	11.43	10.49	10.49
Janesville (City)	505	505	541	38.2	38.2	39.6	13.21	13.22	13.67	13.20	13.20
Janesville-Beloit (Rock County)	468	470	488	39.1	39.0	40.2	11.98	12.06	12.14	11.78	11.84
Kenosha (County)	442	482	408	37.9	41.1	39.5	11.66	11.72	10.34	11.18	11.17
La Crosse (County)	370	359	354	40.1	39.9	39.4	9.22	8.99	8.99	8.92	8.77
Madison (Dane County)	395	399	380	40.0	40.4	40.2	9.87	9.88	9.45	9.56	9.56
Manitowoc (County)	392	391	398	40.0	40.0	40.8	9.80	9.77	9.95	9.60	9.53
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	493	490	479	41.6	41.4	41.0	11.85	11.83	11.68	11.22	11.22
Racine (County)	448	458	430	40.9	42.4	30.7	10.95	10.81	10.84	10.80	10.63
Sheboygan (County)	408	402	379	41.8	41.5	39.8	9.76	9.68	9.51	9.20	9.14
Wausau (Marathon County)	412	419	399	41.6	42.4	40.2	9.90	9.89	9.92	9.45	9.42

EMPLOYMENT, MFG. *(Unadjusted)*	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,069.0	19,009.0	19,137.0	0.3	- 0.4
Wisconsin	505.6	504.5	502.2	0.2	0.7
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	47.6	47.5	48.3	0.2	- 1.4
Beloit (City)	4.5	4.4	5.2	2.3	-13.5
Eau Claire (Eau Claire-Chippewa)	9.8	10.0	9.6	-2.0	2.1
Fond du Lac (County)	10.1	10.3	9.8	-1.9	3.1
Green Bay (Brown County)	23.4	23.5	23.5	-0.4	- 0.4
Janesville (City)	10.1	10.1	10.6	0.0	- 4.7
Janesville-Beloit (Rock County)	16.6	16.4	17.5	1.2	- 5.1
Kenosha (County)	12.1	11.4	9.3	6.1	30.1
La Crosse (County)	9.9	10.0	10.3	-1.0	- 3.9
Madison (Dane County)	21.2	21.6	20.4	-1.9	3.9
Manitowoc (County)	10.6	10.5	11.6	1.0	- 8.6
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	166.2	166.8	168.9	-0.4	- 1.6
Racine (County)	24.2	24.3	25.0	-0.4	- 3.2
Sheboygan (County)	18.7	18.8	18.1	0.5	3.3
Wausau (Marathon County)	11.9	12.0	11.3	-0.8	5.3

MORE IS LESS - FOR WAGE EARNERS

by Joseph Tumpach, Jr.

There is a war on! Employers throughout the country are fighting for wage restraints in union bargaining sessions, for two-tier pay scales that compensate new employees on a lower plateau than workers with more seniority. American business, many say, can't compete with foreign low-wage producers. On another front, many politicians, economists and individuals are calling for legislation to raise the legal minimum wage rate.

While the news and business media have focused on the disparity between U.S. and foreign labor costs and on the believed-antiquated minimum wage level, scant attention has been given the lost buying power of mainstream American workers.

A few articles have appeared in specialized publications, pointing to job growth in low-wage industries. And a few others have tried to dispel the theory of mushrooming of low-paying jobs. A recent Wall Street Journal article, for example, classified job growth throughout the nation into high, middle, and low-paying.

In the present presidential administration, 1981 to the present, only six percent of the country's new jobs developed in the low-wage category, while the remaining new jobs equally shared the middle and high pay ranges. The author, however, defines a middle-income job as one paying between just over seven thousand to just over twenty-eight thousand dollars per year. If you got a job paying $7,012 per year in 1984, you contributed to the growth of middle income jobs...if you were married, had one dependent child and relied solely on that job for income, you were officially living in poverty.

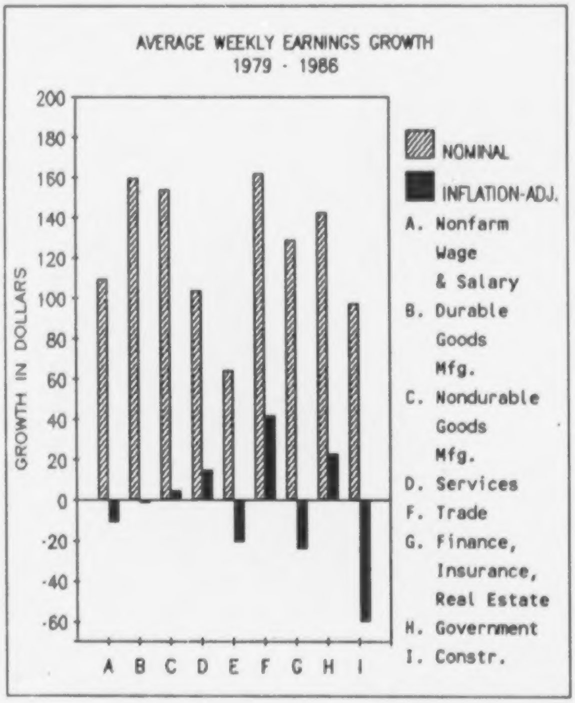
A congressional committee recently compared wages after adjustment for inflation and reported a decline in "real" wages. The comparison covered a period from 1973 to 1984, just before the start of one national recession to just after the most recent downturn. Actual earnings increased, but the cost of goods and services grew faster. An employee who needed to work, say, two hours to buy a pair of shoes in 1973, needed to work, perhaps, three hours for that same pair in 1984, even though his/her check was larger. Or, without greatly increasing the number of hours worked each week, a worker, simply, must buy less with his or her increased earnings. Multiply the loss of buying power by a thousand wage earners, or scores of thousands, and considerable economic loss occurs in an area or within a state.

While we may blame high wage rates for America's inability to economically compete with foreign industry, drastic wage reductions are not the way to prosperity. If an automobile assembly-line worker in Wisconsin cannot afford the very car he or she help build, to whom will the manufacturer market the vehicle. Without the American market, even the Japanese auto makers face severe recession. The American consumer "drives" between sixty and seventy percent of the national economy.

While it is true that consumers greatly affect economic trends and, thus, workers' real wages affect economic trends, the earnings revealed in official statistics are affected by the phase of the business cycle during data collection. In 1973, for example, the national economy was near peak activity. Employers were fully staffed, which means a substantial share of less-senior, lower-paid employees lowered the average wage. With recession, employers normally lay off workers with less seniority and retain their longer-term workers, workers who usually are better paid. And, even in the early stages of economic recovery, employers tend to increase the hours worked by their "core" workforce before rehiring, thus tend to keep the average wage up. When comparing earnings, similar phases of the business cycle make the best comparisons. It appears that 1973 and 1986 are a good starting and ending point for earnings comparisons.

The economic loss from inflation-battered earnings is staggering when we consider the number of employed workers throughout the state. Wisconsin's nonfarm wage and salary employment grew by 54,600 from 1979 to 1986, reaching 2,014,800 at the end of that period. Earnings each week averaged $236.54 at the beginning year, and $346.19 at the end. If, however, we account for inflation, real average earnings dropped by $11.12 per week. That is, when adjusted for inflation, a wage earner had $357.31 of buying power per week in 1979; and $346.19 in 1986. If we multiply that loss by each of the two-plus million nonfarm wage and salary earners in 1986, and multiply again by 52 weeks, the purchasing power loss amounts to over 1.16 billion dollars throughout the state--in 1986 alone! That is an over statement because there are some qualifiers to this analysis. First, it is not possible with the data available on Wisconsin workers to differentiate between full-time and part-time workers. Increases in the number of part-time workers has an important impact on earnings, tending to bring the weekly average down. And, while many work part-time because no full-time jobs are available, many work shorter workweeks by choice. There was a loss of potential earnings, but it was partly because some chose to work less and earn less.

Second, earnings reflect income from jobs, not workers, so dual job holders are included more than once in the analysis. While the double counting of some workers in the equation lowers the weekly average, the dual job holder is likely to have a higher than average weekly income and to have a significant portion of discretionary income.



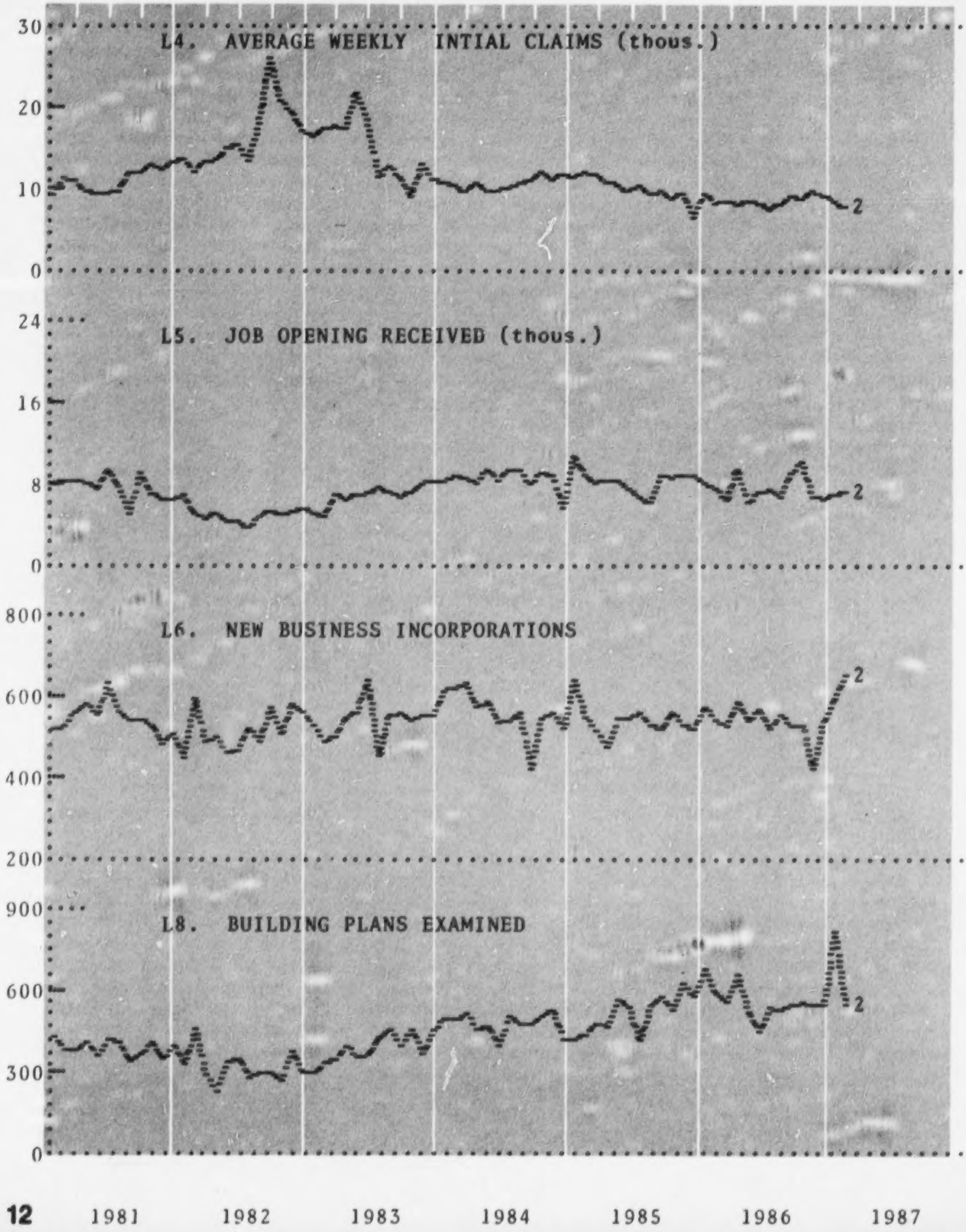
Averages do mask trends. Not all wage and salary workers lost real earnings in the 1979 to 1986 period; it varies from industry to industry. While total manufacturing workers remained about even in earnings power, losing only forty cents per week over the seven year stretch, nondurable goods manufacturing employees actually gained an average $5.30 per week. Interestingly, while total manufacturing workers lost real earnings, the employment level also decreased...by nearly eighty thousand. The nondurable goods makers, the gainers in real earnings, expanded employment. The highest employment growth industry, the service sector, added eighty-one thousand workers and also added an average $15.60 to weekly earnings. However, the service industry remains a relatively low-wage paying industry, even with the improved real earnings. Construction, a high-wage industry, lost both employment and real earnings. And, the finance, insurance and real estate industry, a moderately well-paying one, gained employment and had the highest real wage gain of over 42 dollars per week. Estimating future job growth is more complex than projecting employment growth in low-wage industries. Loss of real earnings and, thus, purchasing power by workers in any one industry affects the entire economy, and thus, workers in all industries.

EMPLOYMENT AND AVERAGE WEEKLY EARNINGS
Wisconsin 1979 - 1986

	1979			1986		1979 to 1986	
	Employed (000's)	Avg. Wkly. Earnings	Earnings in 1986 $'s	Employed (000's)	Avg. Wkly. Earnings	Employment Difference	Real $ Difference
NONFARM WAGE & SALARY	1960.2	$236.54	$357.31	2014.8	$346.19	54.6	-11.12
Manufacturing	591.3	307.20	464.05	512.5	463.65	-78.8	-0.40
Durable Goods	393.7	314.76	475.47	310.3	474.62	-83.4	-0.85
Nondurables	197.6	291.86	440.88	202.2	446.13	4.6	5.25
Services	351.9	173.60	262.24	432.9	277.81	81.0	15.57
Trade	441.2	167.30	252.72	477.8	232.16	36.6	-20.56
Wholesale	96.4	297.48	449.37	100.4	422.31	4.0	-27.06
Retail	344.8	130.21	196.67	377.4	167.21	32.6	-29.46
Finance, Insurance & Real Estate	90.3	235.11	355.15	107.8	397.45	17.5	42.30
Transportation, Communications & Public Utilities	92.2	300.20	453.48	92.9	429.50	0.7	-23.98
Government	310.1	233.10	352.12	325.2	375.80	15.1	23.68
Construction	80.5	310.12	468.46	63.8	408.03	-16.7	-60.43

Source, Bureau of Labor Statistics

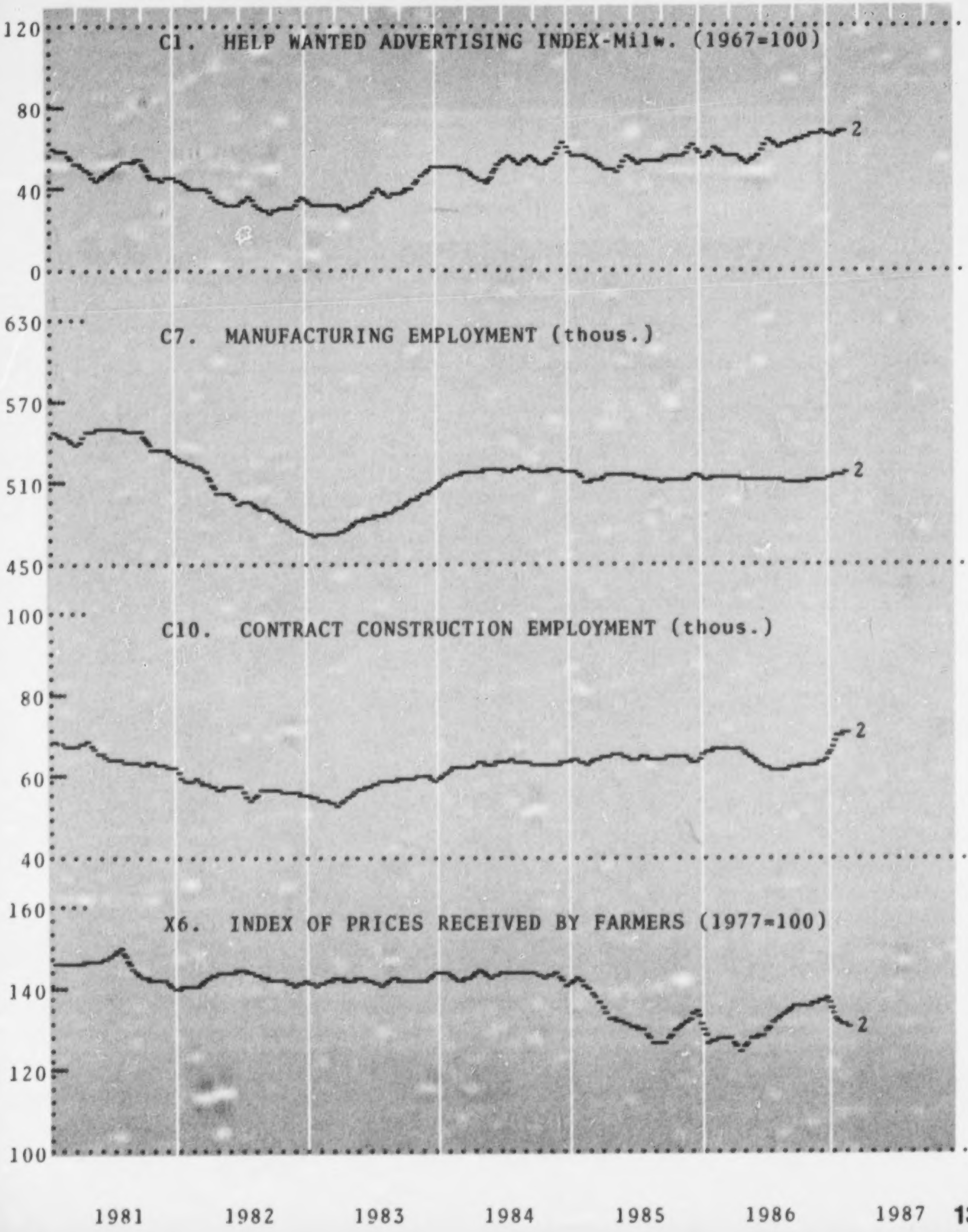
CYCLICAL INDICATORS



Section

D

CYCLICAL INDICATORS



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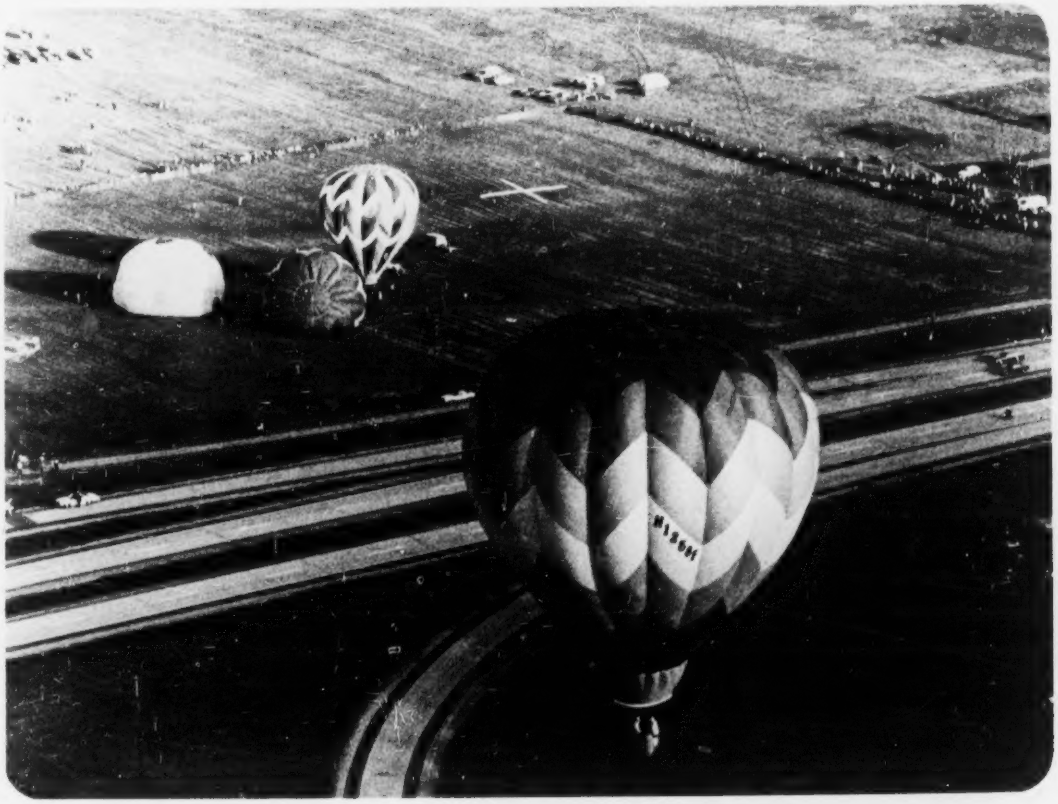
WISCONSIN ECONOMIC INDICATORS

APRIL 1987



DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Regisgtrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

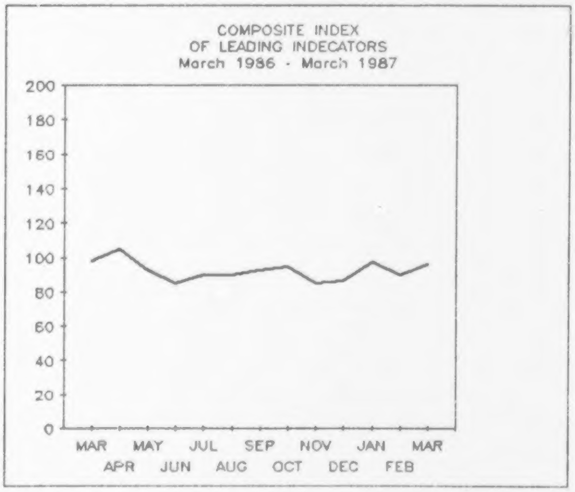
COVER PHOTO: Courtesy of Wisconsin Division of Tourism Development

THE WISCONSIN ECONOMY

SUMMARY FOR MARCH

INDEX OF LEADING INDICATORS

The Composite Index of Wisconsin's leading economic indicators rose by over six percentage points, an increase that boosted the index to 96.6 for March. Seven of eight leading indicators showed strong positive growth trends. This month's growth recaptures an upward trend that was interrupted in February. While the month-ago index did fall, it was expected to regain momentum.



LEADING INDICATORS

The average workweek in Wisconsin's manufacturing industries lengthened in March. Production workers typically spend about the same number of hours per week on the job in March as in February. March's increase amounts to two-tenths of an hour, which is significant but not inordinate.

It was the average amount of overtime that caused the longer workweek. Over-time hours usually decrease slightly in March, but this month the premium-time hours grew.

Not only did the workweek grow, but the number of workers employed in manufacturing increased by 22 hundred in March. Consequently, labor input in manufacturing reached the highest level since December of 1985.

The number of workers making initial claims for unemployment compensation decreased by more than the normal amount in March. A decrease of 485 in the weekly average would have been in line with the usual March trend; this month's claims level decreased by 670.

The number of job openings received by state Job Service offices increased by nearly 22 hundred. This month's increase is well above the usual March trend--growth of between 12 hundred and 13 hundred would have fit the seasonal pattern.

New business incorporations are the bleak spot in this month's leading indicators. The number of new incorporations decreased by 30 in March, while it should have increased by about seventy. New incorporations, however, showed above par performance one month ago.

The net gain in business telephone access lines increased substantially, indicating a growth in the number of business sites throughout the state in March. While there was growth in access lines last month, it was sluggish.

Building plans examined for commercial and industrial structures increased in March at more than the usual seasonal pace. An increase of plans examined usually portends increased construction employment.

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
LEADING INDICATORS							
L1 COMPOSITE INDEX OF LEADING INDICATORS							
Seasonally Adjusted	INDEX	95.6 Mar	89.2	97.7	7.2	- 2.1	93.0
L2 AVG. WORK WEEK, MFG.							
Unadjusted	HOURS	41.2 Mar	41.0	41.2	0.5	0.0	41.3
Seasonally Adjusted		41.4	41.2	41.4	0.5	0.0	
L3 AVG. OVERTIME HOURS, MFG.							
Unadjusted	HOURS	3.6 Mar	3.4	3.5	5.9	2.9	3.6
Seasonally Adjusted		3.8	3.5	3.7	8.6	2.7	
L4 AVG. WEEKLY INITIAL CLAIMS							
Unadjusted	NUMBER	7,380 Mar	8,050	8,470	- 8.3	- 12.9	8,802
Seasonally Adjusted		7,538	7,726	8,656	- 2.4	- 12.9	
L5 TOTAL JOB OPENINGS REC.							
Unadjusted	NUMBER	7,497 Mar	5,301	5,698	41.4	31.6	7,743
Seasonally Adjusted		8,519	7,322	6,472	16.3	31.6	
L6 NEW BUSINESS INCORPORATIONS							
Unadjusted	NUMBER	564 Mar	594	536	- 5.1	5.2	539
Seasonally Adjusted		555	656	527	-15.4	5.3	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES							
Unadjusted	NUMBER	2,354 Mar	1,474	960	59.7	145.2	1,276
Seasonally Adjusted		1,416	1,248	2,371	13.5	- 40.3	
L8 BUILDING PLANS EXAMINED							
Unadjusted	NUMBER	491 Mar	364	469	34.9	4.7	560
Seasonally Adjusted		593	552	567	7.4	4.6	
ROUGHLY COINCIDING INDICATORS							
C1 HELP-WANTED INDEX (MILW.)							
Seasonally Adjusted	INDEX	66 Mar	69	57	- 4.3	15.8	60
C2 UNEMPLOYMENT RATE, TOTAL							
Unadjusted	PERCENT	7.5 Mar	8.0	8.6	–	–	7.0
Seasonally Adjusted		6.3	6.6	7.2	–	–	
C3 NATURAL GAS SALES							
Unadjusted	MIL. THERMS	270.1 Feb	344.3	394.6	-21.6	- 31.6	214.6
Seasonally Adjusted		163.3	178.8	238.6	- 8.7	- 31.6	
C4 NEW CAR REGISTRATIONS							
Unadjusted	NUMBER	12,708 Mar	11,098	12,606	14.5	0.8	16,947
Seasonally Adjusted		14,620	13,843	14,510	5.6	0.8	
C5 ELECTRIC POWER SALES							
Unadjusted	MIL. KWH	1,861.8 Feb	1,958.3	1,798.0	- 4.9	3.5	1,946.0
Seasonally Adjusted		1,963.9	1,948.6	1,897.6	0.9	3.5	
C6 TOTAL SECURITIES REGISTRATIONS							
Unadjusted	MIL. DOL.	82.1 Mar	128.1	145.8	-35.9	- 43.7	171.0
Seasonally Adjusted		79.1	82.6	140.4	- 4.2	- 43.7	

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
C7 MANUFACTURING EMPL.								
Unadjusted	THOUS.	508.2	Mar	506.0	505.1	0.4	0.6	513.0
Seasonally Adjusted		518.6		517.9	515.5	0.1	0.6	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	436.31	Mar	433.78	430.54	0.6	1.3	427.38
Seasonally Adjusted		435.00		432.48	429.10	0.6	1.4	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	485.0	Jan	477.1	424.8	1.7	14.2	416.8
Seasonally Adjusted		464.6		443.8	406.9	4.7	14.2	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS.	55.7	Mar	55.4	53.7	0.5	3.7	64.0
Seasonally Adjusted		69.5		71.1	67.0	- 2.3	3.7	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	6,397	Mar	5,279	6,169	21.2	3.7	6,033
Seasonally Adjusted		6,481		5,885	6,249	10.1	3.7	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3,807	Mar	3,392	3,864	12.2	- 1.5	3,514
Seasonally Adjusted		3,678		3,368	3,734	9.2	- 1.5	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	2,590	Mar	1,887	2,305	37.3	12.4	2,519
Seasonally Adjusted		2,878		2,371	2,560	21.4	12.4	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	1,746	Mar	1,667	1,599	4.7	9.2	3,207
Seasonally Adjusted		3,520		3,473	3,221	1.4	9.3	
X5 CONSUMER PRICE INDEX (MILW.)				(Sep)				
Unadjusted	INDEX	330.7	Nov	332.9	333.9	- 0.7	- 1.0	331.7
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	132	Mar	132	128	0.0	3.1	131
Seasonally Adjusted		131		129	127	1.6	3.1	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	503	Mar	669	38	-24.8	1,223.7	1,363
Seasonally Adjusted		1,412		1,472	1,115	- 4.1	26.6	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	1,240	Mar	1,240	0	0.0	-	769
Seasonally Adjusted		6,425		3,925	5	63.7		1,284.0
X9 UNEMPL. COMPENSATION EXHAUSTEES	NUMBER							
Unadjusted		20,998	Mar	20,607	26,941	1.8	-22.1	26,223
Seasonally Adjusted		21,093		21,969	27,088	- 4.0	-22.1	

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES MARCH	(In Thousands)			Pct. Chg.	
	Latest* Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2421.7	2416.5	2350.6	0.2	3.0
Employment (Inc. Labor Disputes)	2239.6	2222.4	2148.4	0.8	4.2
Unemployment	182.1	194.1	202.2	-6.2	-9.9
Unemployment Rate	7.5	8.0	8.6	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2479.1	2479.6	2401.0	-0.0	3.3
Employment (Inc. Labor Disputes)	2323.2	2315.0	2227.9	0.4	4.3
Unemployment	155.9	164.6	173.1	-5.3	-9.9
Unemployment Rate	6.3	6.6	7.2	-	-

WISCONSIN EMPLOYMENT ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2006.9	1999.5	1968.4	0.4	2.0
Unadjusted					
Manufacturing	507.2	505.0	505.1	0.4	0.4
Mining	1.6	1.4	1.3	14.3	23.1
Contract Construction	55.7	55.4	53.7	0.5	3.7
Transportation and Public Utilities	91.1	90.8	91.9	0.3	-0.9
Elec., Gas and Sanitary Services	17.4	17.3	17.2	0.6	1.2
Wholesale Trade	100.4	100.5	97.9	-0.1	2.6
Retail Trade	372.4	369.8	358.4	0.7	3.9
General Merchandise	48.4	48.5	46.8	-0.2	3.4
Finance, Insurance and Real Estate	109.4	108.8	105.2	0.6	4.0
Banking	27.7	27.7	27.5	0.0	0.7
Insurance	36.1	35.9	34.5	0.6	4.6
Service and Miscellaneous	436.2	435.3	423.7	0.2	3.0
Hospitals	67.7	67.7	66.5	0.0	1.8
Private Education	25.4	25.0	25.7	1.6	-1.2
Government	333.0	332.6	331.2	0.1	0.5
State Government	86.3	86.3	85.3	0.0	1.2
Local Government	218.2	217.9	217.8	0.1	0.2

UNITED STATES LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	119,222	119,349	117,187	-0.1	1.7
Employment	111,368	111,382	108,807	-0.0	2.4
Unemployment	7,854	7,967	8,380	-1.4	-6.3
Unemployment Rate	6.6	6.7	7.2	-	-

* Latest month data are preliminary

MANUFACTURING EMPLOYMENT *(Unadjusted)* MARCH	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	507.2	505.0	505.1
All Manufacturing (Excluding Canning)	499.0	497.0	497.4
Durable Goods	309.5	308.2	310.9
Lumber and Wood Prod., (Except Furniture)	23.6	23.3	22.6
Sawmills and Planning Mills	3.0	3.0	3.1
Millwork, Veneer, Plywood & Prefab. Wood Prod.	11.8	11.7	11.1
Furniture and Fixtures	10.9	10.7	10.3
Household Furniture	4.6	4.5	4.5
Stone, Clay and Glass Products	7.5	7.2	7.1
Concrete, Gypsum and Plaster Products	3.1	2.8	2.9
Primary Metal Industries	18.5	18.6	19.1
Iron and Steel Foundries	9.5	9.5	9.6
Fabricated Metal Products	50.3	50.4	51.1
Heating Equipment (Except Electrical) & Plumbing Fixtures	6.7	6.8	6.2
Fabricated Structural Metal Products	11.8	11.9	12.4
Metal Stampings	10.4	10.4	10.7
Machinery (Except Electrical)	98.9	98.5	100.5
Engines and Turbines	20.1	20.1	19.3
Farm Machinery and Equipment	11.8	11.8	12.3
Const., Min. & Material Handling Mach. & Equip.	11.1	10.9	11.1
Metalworking Machinery and Equipment	10.7	10.7	11.3
Special Industry Machinery (Except Metalworking)	11.5	11.5	12.5
General Industrial Machinery and Equipment	13.6	13.7	13.7
Service Industry Machines	6.7	6.6	7.3
Electrical Machinery, Equipment and Supplies	47.5	47.7	48.3
Electrical Industrial Apparatus	15.4	15.6	16.4
Household Appliances	6.1	6.1	6.3
Transportation Equipment	32.4	32.1	31.3
Motor Vehicles and Equipment	25.1	24.7	24.0
Instruments and Related Products	10.7	10.8	11.4
Miscellaneous Manufacturing	9.2	9.0	9.2
Nondurable Goods	197.7	196.8	194.2
Food and Kindred Products	56.7	56.3	56.6
Meat Products	12.8	12.7	13.8
Dairy Products	17.2	16.9	16.8
Canning and Preserving	8.2	8.0	7.7
Bakery Products	4.6	4.8	4.2
Beverage Industries	7.2	7.2	7.4
Textile Mill Products	3.4	3.4	3.7
Knitting Mills	2.8	2.8	3.2
Apparel and Other Finished Products	6.9	6.8	6.2
Paper and Allied Products	48.7	48.5	47.8
Pulp and Paper Mills	30.4	30.4	29.7
Converted Paper and Paperboard Products	10.1	10.1	10.0
Paperboard Containers and Boxes	7.0	7.0	6.8
Printing, Publishing and Allied Industries	39.8	40.0	39.0
Newspapers	12.3	12.3	11.9
Commercial Printing	16.9	17.1	17.0
Chemicals and Allied Products	11.0	10.8	10.4
Rubber and Misc. Plastics Products	24.3	24.2	23.3
Miscellaneous Plastics Products	20.0	19.8	18.9
Leather and Leather Products	6.7	6.5	7.0
Leather Tanning and Finishing	1.7	1.7	1.8
Footwear (Except Rubber)	3.1	3.0	3.5
Other Nondurable Goods	-	-	-

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* MARCH	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$436	$434	$431	41.2	41.0	41.2
All Manufacturing (Excl. Canning)	439	436	432	41.3	41.1	41.2
Durable Goods	447	444	442	41.7	41.4	41.5
Lumber/Wood Prod. (Exc. Furn.)	316	317	312	39.8	39.8	39.2
Furniture and Fixtures	344	338	317	43.1	42.0	40.7
Stone, Clay and Glass Products	402	401	408	44.0	43.7	41.7
Primary Metal Industries	446	442	426	43.4	43.2	42.7
Iron and Steel Foundries	448	447	428	44.2	44.3	42.9
Fabricated Metal Products	420	414	416	40.7	40.2	40.4
Fab. Structural Metal Prod.	424	415	423	43.1	42.0	41.0
Metal Stampings	454	453	435	39.8	40.7	39.9
Machinery (Except Electrical)	512	510	504	43.3	43.0	42.8
Engines and Turbines	603	617	585	44.6	45.3	43.5
Farm Machinery and Equip.	534	523	524	41.6	40.7	41.4
Const. and Related Mach.	471	457	471	43.0	42.0	43.1
Metalworking Mach. and Equip.	550	540	529	44.5	43.7	43.4
Spec. Ind. Mach. (Exc. Metal) .	483	480	500	41.5	41.5	42.9
Gen. Industrial Mach. and Equip.	494	495	503	42.3	42.3	41.1
Electrical Mach., Equip. and Supp.	413	417	405	40.8	41.0	40.5
Electrical Industrial Apparatus	437	436	422	40.7	41.0	40.3
Transportation Equipment	562	546	576	40.8	39.7	42.1
Instruments and Related Prod.	347	351	361	39.2	39.9	40.1
Nondurable Goods	419	418	412	40.4	40.4	40.8
Food and Kindred Products	388	388	389	39.4	39.6	40.1
Meat Products	349	350	365	38.6	39.5	40.5
Dairy Products	388	389	385	39.8	39.7	39.4
Textile Mill Products	323	330	315	40.9	41.3	40.0
Apparel and Other Fin. Prod.	239	237	234	37.8	37.7	38.3
Paper and Allied Products	552	558	534	44.3	44.7	44.5
Pulp and Paper Mills	603	606	580	45.6	46.0	45.6
Printing, Pub. and Allied Prod.	420	407	421	37.5	36.7	38.7
Chemicals and Allied Products	491	476	462	42.3	41.0	41.7
Rubber and Misc. Plastics Prod.	330	329	325	39.9	40.1	39.5
Leather and Leather Products.	258	259	257	38.1	37.9	38.4

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* MARCH	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$10.59	$10.58	$10.45	$10.15	$10.14	$10.00
All Manufacturing (Excl. Canning)	10.63	10.62	10.48	10.19	10.18	10.04
Durable Goods	10.72	10.73	10.66	10.32	10.33	10.25
Lumber/Wood Prod. (Exc. Furn.)	7.95	7.96	7.95	-	-	-
Furniture and Fixtures	7.99	8.04	7.79	7.69	7.69	7.52
Stone, Clay and Glass Products	9.14	9.17	9.78	8.85	8.89	9.52
Primary Metal Industries	10.27	10.24	9.98	9.79	9.78	9.51
Iron and Steel Foundries	10.13	10.08	9.98	9.67	9.60	9.62
Fabricated Metal Products	10.31	10.29	10.30	9.96	9.96	9.96
Fab. Structural Metal Prod.	9.84	9.88	10.32	9.41	9.56	9.97
Metal Stampings	11.40	11.14	10.90	11.03	10.78	10.58
Machinery (Except Electrical)	11.83	11.85	11.78	11.22	11.23	11.25
Engines and Turbines	13.53	13.63	13.45	12.51	12.52	12.59
Farm Machinery and Equip.	12.84	12.85	12.65	12.38	12.45	12.30
Const. and Related Mach.	10.96	10.87	10.92	10.52	10.56	10.61
Metalworking Mach. and Equip.	12.37	12.36	12.18	11.79	11.83	11.62
Spec. Ind. Mach. (Exc. Metal) .	11.63	11.57	11.66	11.15	11.09	11.04
Gen. Industrial Mach. and Equip.	11.67	11.70	12.25	11.29	11.31	11.76
Electrical Mach., Equip. and Supp.	10.13	10.18	10.00	9.80	9.82	9.70
Electrical Industrial Apparatus	10.73	10.64	10.46	10.62	10.58	10.23
Transportation Equipment	13.78	13.76	13.69	13.38	13.33	13.17
Instruments and Related Prod.	8.84	8.79	8.99	8.71	8.65	8.77
Nondurable Goods	10.38	10.34	10.10	9.86	9.84	9.60
Food and Kindred Products	9.85	9.79	9.69	9.38	9.35	9.22
Meat Products	9.04	8.85	9.01	8.71	8.57	8.66
Dairy Products	9.75	9.80	9.76	9.30	9.36	9.34
Textile Mill Products	7.91	7.98	7.88	7.64	7.70	7.66
Apparel and Other Fin. Prod.	6.31	6.29	6.10	6.21	6.17	5.99
Paper and Allied Products	12.47	12.48	11.99	11.77	11.77	11.37
Pulp and Paper Mills	13.22	13.17	12.72	12.43	12.38	12.09
Printing, Pub. and Allied Prod.	11.19	11.09	10.88	-	-	-
Chemicals and Allied Products	11.61	11.60	11.07	11.28	11.33	10.86
Rubber and Misc. Plastics Prod.	8.26	8.20	8.24	7.97	7.91	7.96
Leather and Leather Products.	6.78	6.83	6.70	6.56	6.64	6.47

Section

C

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)*	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$471	$459	$445	40.9	40.8	40.7	9.85	9.84	9.72	-	-
Wisconsin	436	434	431	41.2	41.0	41.2	10.59	10.58	10.45	10.15	10.14
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	458	455	440	42.5	42.4	42.7	10.77	10.72	10.31	10.24	10.20
Beloit (City)	415	425	397	41.4	41.7	41.1	9.97	10.20	9.66	-	-
Eau Claire (Eau Claire-Chippewa)	424	415	411	40.0	39.3	39.7	10.61	10.55	10.36	10.15	10.15
Fond du Lac (County)	398	386	384	40.3	40.0	39.9	9.88	9.89	9.62	9.52	9.55
Green Bay (Brown County)	461	473	481	40.5	41.4	42.1	11.39	11.43	11.43	10.63	10.57
Janesville (City)	541	533	606	38.5	38.3	42.2	14.04	13.92	14.37	13.98	13.88
Janesville-Beloit (Rock County)	487	486	524	39.3	39.2	41.7	12.40	12.39	12.56	12.21	12.19
Kenosha (County)	490	443	451	40.5	37.9	40.2	12.10	11.68	11.22	11.65	11.20
La Crosse (County)	362	368	372	39.4	40.0	40.3	9.20	9.19	9.23	8.94	8.89
Madison (Dane County)	403	397	407	40.6	40.1	40.9	9.92	9.89	9.94	9.57	9.57
Manitowoc (County)	399	394	393	39.5	40.2	41.0	10.11	9.80	9.59	9.86	9.58
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	490	487	477	41.6	41.3	40.9	11.77	11.80	11.66	11.17	11.20
Racine (County)	441	445	431	40.0	40.6	39.3	11.03	10.96	10.97	10.88	10.83
Sheboygan (County)	404	407	382	41.4	41.6	39.5	9.75	9.79	9.68	9.21	9.25
Wausau (Marathon County)	409	407	394	41.6	41.4	40.1	9.84	9.85	9.83	9.39	9.42

EMPLOYMENT, MFG. *(Unadjusted)*	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,082.0	19,062.0	19,148.0	0.1	-0.3
Wisconsin	507.2	505.0	505.1	0.4	0.4
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	48.3	47.7	48.4	1.3	- 0.2
Beloit (City)	4.5	4.5	5.2	0.0	-13.5
Eau Claire (Eau Claire-Chippewa)	10.2	9.8	9.6	4.1	6.2
Fond du Lac (County)	10.3	10.2	9.9	1.0	4.0
Green Bay (Brown County)	23.5	23.4	23.7	0.4	- 0.8
Janesville (City)	9.8	9.9	10.4	-1.0	- 5.8
Janesville-Beloit (Rock County)	16.0	16.4	17.4	-2.4	- 8.0
Kenosha (County)	12.2	12.1	11.3	0.8	8.0
La Crosse (County)	10.0	10.0	10.3	0.0	- 2.9
Madison (Dane County)	21.5	21.1	20.5	1.9	4.9
Manitowoc (County)	10.7	10.6	11.8	0.9	- 9.3
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	166.1	166.3	168.8	0.1	- 1.6
Racine (County)	24.2	24.1	24.4	0.4	- 0.8
Sheboygan (County)	19.0	18.9	18.3	0.5	3.8
Wausau (Marathon County)	12.1	12.0	11.5	0.8	5.2

WISCONSIN LABOR : A DETAILED LOOK

by Joseph Tumpach, Jr.

The coach's philosophy...emphasize fundamentals...applies very well to labor market analysis. Labor market fundamentals include population growth, along with labor force, employment and unemployment change. It is these which are the foundation of economic well-being throughout the state. And, detailed measurements of Wisconsin's labor market are now available, measurements which are 1986 annual averages obtained from the Current Population Survey. Data for Wisconsin indicate an economy that is still growing, still healthy. While many analysts discern a labor shortage, due to a decreasing population of younger workers, shrinkage of the state's total labor pool is not yet apparent.

In prosperity, the size of the labor force and the number employed grow along with an increasing population. Since the 1980 Census, the population which is labor-force age, sixteen years old and older, has steadily increased. From 1985 to 1986, the working age population grew by 13 thousand. At the same time, the state's labor force grew...by 25 thousand. Not only was there an increase in the population from which workers are recruited, but many adults not previously in the labor force began working or looking for work. Last year, in fact, is the first year since 1982 that our labor force has grown from the previous year. Wisconsin's labor force had sustained losses of 15 thousand, of 36 thousand, and another 16 thousand during the three years prior to 1986. It is first in 1986 that labor force growth overcame losses suffered in 1984 and 1985, though we are not yet back to the state's 1982 level, the high point of Wisconsin's labor force.

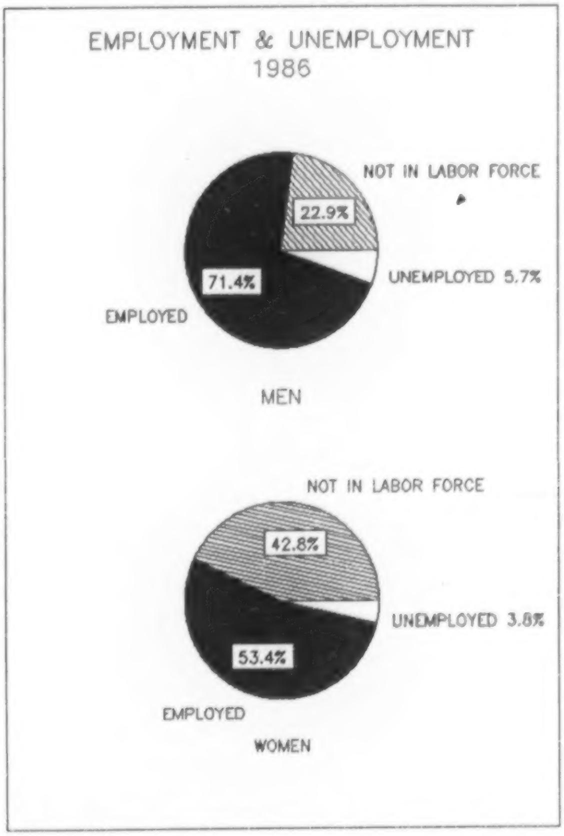
Because of the expanding labor force in 1986, the reduction in total unemployment was not large...only two-thousand. Ironically, unemployment decreased by 78 thousand in 1984, a year regarded as one of great economic growth. However, in 1984, nearly half of the unemployment problem was eased by people withdrawing from the labor force. Conversely, while the unemployment level did not decrease greatly in 1986, large employment gains absorbed a vigorously-growing labor force.

Since recovery from the last recession in 1983 up through 1985, the state's labor-force-age population increased by about 30 thousand while the labor force shrank by about 50 thousand. The unemployment rate averaged 10.4 percent in 1983 and dropped to 7.3 and 7.2 percent in the two following years. What the unemployment rate does not show is the decrease in labor fore size. If the labor force had not decreased, and if we assume that those who left the labor force would, otherwise, have been unemployed, the unemployment rate in 1984 would have been 8.7 percent; and in 1985, would have been 9.6 percent.

Our assumption, however, is probably not entirely safe. It is likely that during the recession, family members other than the primary wage earner--members who, by choice, would not be in the labor force--did enter the work world to alleviate spells of unemployment of the primary earner...and then withdrew in more secure economic conditions.

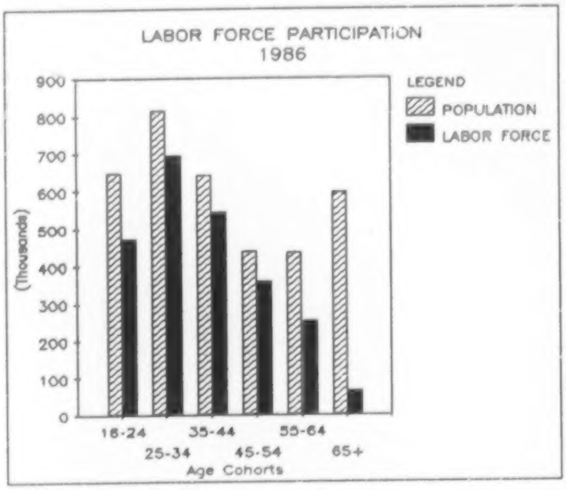
Yet, in 1986, both population and the labor force grew. Last year is the first post-recession year which had not only an increase of employment along with a decrease of unemployment, but also had labor force growth.

The growth of men in the labor force in 1986 nearly doubled the increase of women workers and job seekers. However, many men failed to find jobs. Employment gains for men did not keep pace with the number of men entering the labor force; nor did employment gains by men match the gains of women. Consequently, the number of unemployed increased by four thousand among men, while it decreased by six thousand among women.


EMPLOYMENT & UNEMPLOYMENT
1986

Labor force growth differed considerably between men and women when age is considered. For men age 16 through 24 years old, the size of the labor force decreased by 33 thousand. Women in the youth labor market decreased by 11 thousand. Most of the 16-through-24-age labor force shrinkage is due simply to a decrease of population in that age segment.

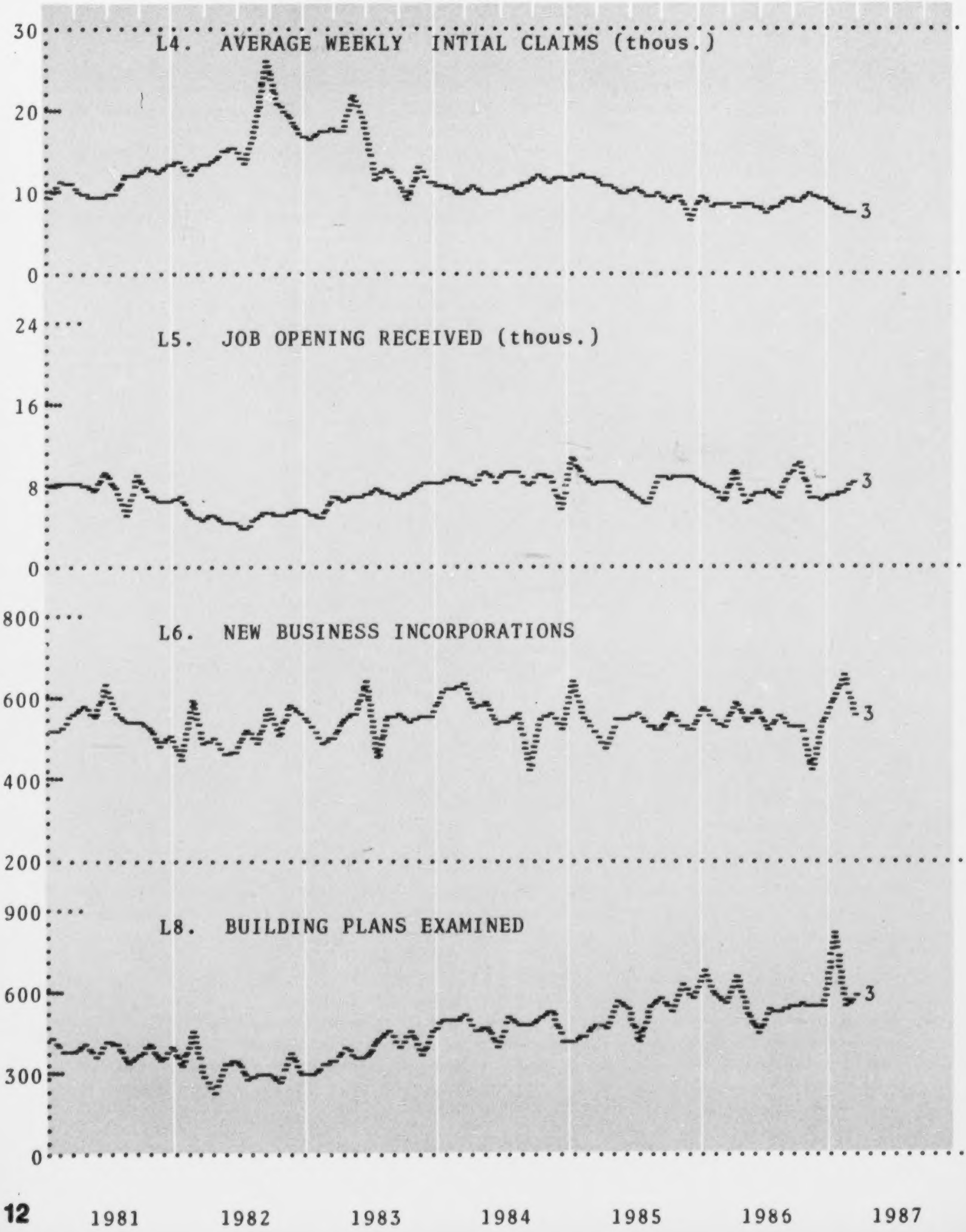
For employers who depend on the youth labor force, typically small establishments in retail trade industries, there is, indeed, a labor pinch. However, not all of the labor force decrease is due to a smaller population. Labor force participation rates declined for 16 to 19 year old men and for 20 to 24 year old women. Had those rates remained constant from 1985 to 1986, the labor force loss would have been less among youth, amounting to thirty-six thousand instead of the actual forty-four thousand. Thus, there is some room for easing the youth labor shortage.


LABOR FORCE PARTICIPATION
1986

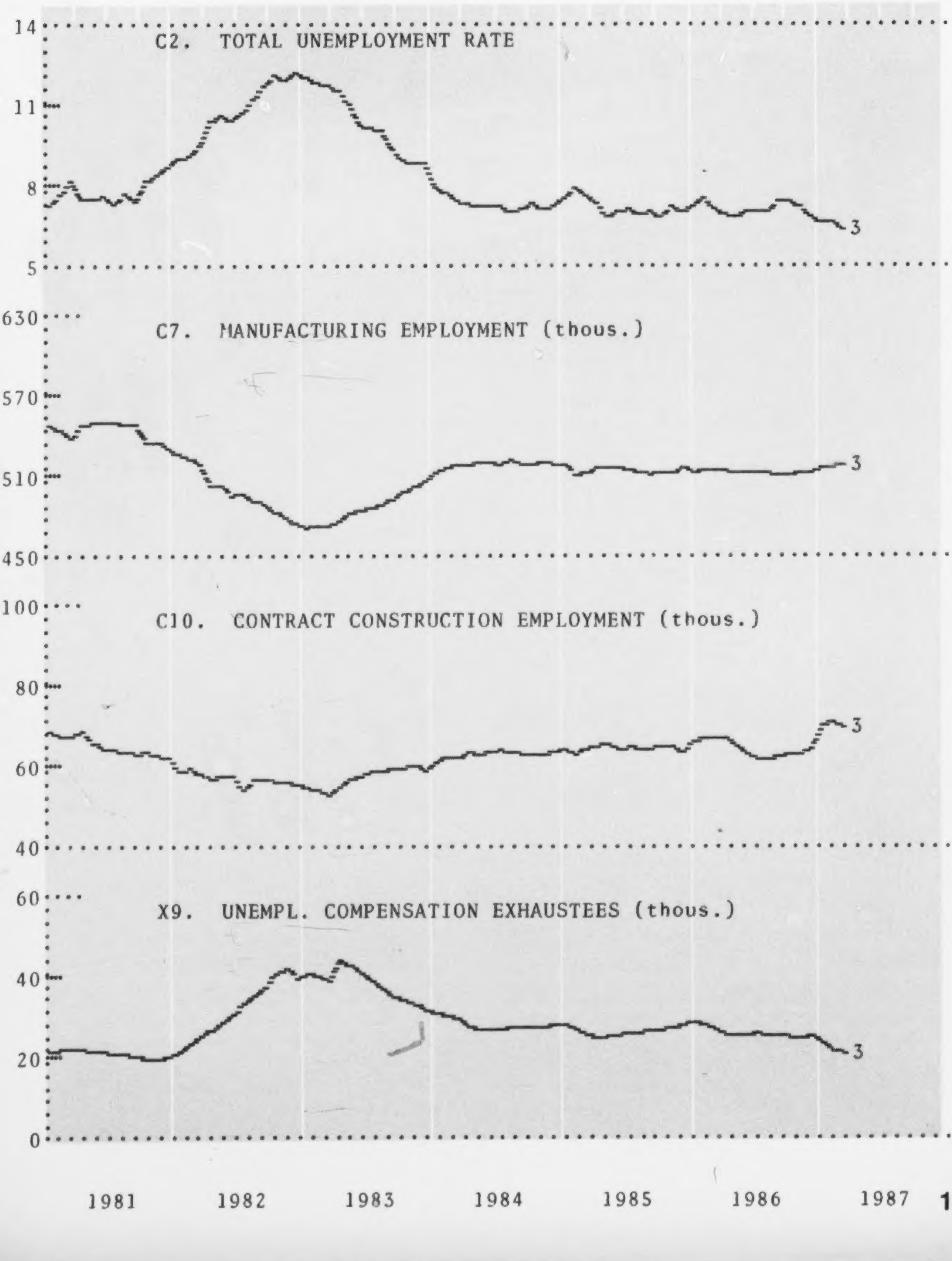
One group labor analysts will watch is women of age 25 through 34 years. That cohort is the largest population group among women and increased by twenty-four thousand in 1986. Their labor force participation rate remained unchanged from the previous year. On the other hand, the next older cohort, women age 35 to 44, had a significant drop in their participation rate. If the very large group of present 25 to 34 year old women follow suit and, upon aging, decrease their participation rate, the total number of women workers will decline and women's portion of the total labor force will decrease.

WISCONSIN 1986 (No.'s in thous.)	Civilian noninstit. population 16 yrs. & over	Civilian labor force		Employment		Unemployment	
		Number	Percent of population	Number	Percent of population	Number	Rate
Total	3585	2399	66.9	2230	62.2	169	7.0
Men	1752	1350	77.1	1251	71.4	99	7.4
Women	1833	1049	57.2	979	53.4	70	6.6
Both sexes, 16-19 yrs.	278	177	63.7	148	53.3	29	16.3
Men							
16 to 19 yrs.	149	92	61.7	73	48.8	19	20.9
20 to 24 yrs.	174	153	88.0	138	79.4	15	9.8
25 to 34 yrs.	413	388	93.8	353	85.4	35	9.0
35 to 44 yrs.	332	319	95.9	303	91.2	16	4.9
45 to 54 yrs.	224	208	93.0	199	88.6	10	4.7
55 to 64 yrs.	208	146	70.4	143	68.7	3	2.4
65 yrs. & over	250	43	17.3	42	16.9	1	2.4
Women							
16 to 19 yrs.	129	85	66.1	76	58.6	10	11.4
20 to 24 yrs.	197	146	74.0	131	66.2	15	10.5
25 to 34 yrs.	403	309	76.7	289	71.8	20	6.4
35 to 44 yrs.	310	226	72.9	212	68.4	14	6.2
45 to 54 yrs.	217	151	69.4	144	66.5	6	4.2
55 to 64 yrs.	228	108	47.2	104	45.7	4	3.3
65 yrs. & over	349	24	6.9	23	6.7	1	3.5
White							
16 to 19 yrs.	255	166	65.1	142	55.8	24	14.2
20 to 24 yrs.	347	283	81.7	259	74.7	24	8.5
25 to 34 yrs.	760	666	87.6	620	81.6	46	6.9
35 to 44 yrs.	609	522	85.7	496	81.5	26	4.9
45 to 54 yrs.	411	337	82.1	325	79.1	12	3.6
55 to 64 yrs.	421	247	58.6	240	57.0	7	2.7
65 yrs. & over	595	66	11.2	65	10.9	2	2.8
Black							
16 to 19 yrs.	17	10	60.5	5	29.4	5	51.5
20 to 24 yrs.	21	15	69.9	9	42.7	6	39.0
25 to 34 yrs.	38	23	59.7	15	40.5	7	32.2
35 to 44 yrs.	26	21	79.9	17	63.5	4	20.5
45 to 54 yrs.	22	20	90.2	16	75.2	3	16.6
55 to 64 yrs.	12	6	56.2	6	56.1		0.2
65 yrs. & over	3						
Hispanic origin							
16 to 19 yrs.	2	1	40.6			1	100.0
20 to 24 yrs.	5	2	45.0	2	46.6		
25 to 34 yrs.	8	7	86.0	5	61.4	2	28.6
35 to 44 yrs.	4	4	80.4	3	57.3	1	28.8
45 to 54 yrs.	5	1	24.2	1	19.9		17.9
55 to 64 yrs.	2						
65 yrs. & over	1						

CYCLICAL INDICATORS



D CYCLICAL INDICATORS


C2. TOTAL UNEMPLOYMENT RATE

C7. MANUFACTURING EMPLOYMENT (thous.)

C10. CONTRACT CONSTRUCTION EMPLOYMENT (thous.)

X9. UNEMPL. COMPENSATION EXHAUSTEES (thous.)

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WISCONSIN ECONOMIC INDICATORS

MAY 1987

DILHR

DEPARTMENT OF
INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

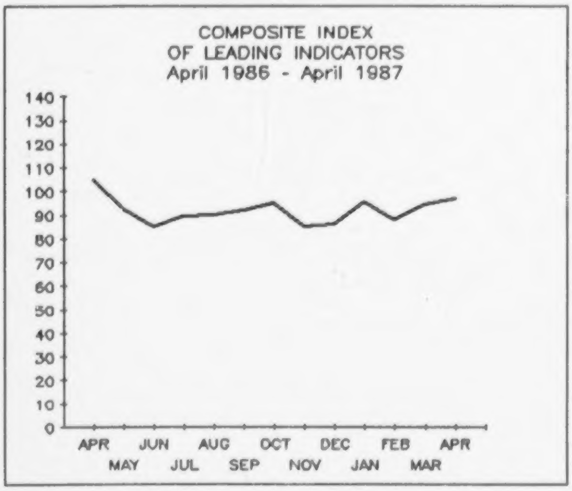
COVER PHOTO: Courtesy of Wisconsin Division of Tourism Development

THE WISCONSIN ECONOMY

SUMMARY FOR APRIL

COMPOSITE INDEX

The Composite Index of Wisconsin's leading economic indicators increased by 2.3 points in April, even though the variety of indicators gave growth signals that were not concerted. They were mixed in direction and tended to cancel any strong indication of a trend. Four of seven leading indicators pointed to positive growth and that lifted the index level to 96.6, the highest level since April of one year ago. The biggest single factor effecting this month's index growth is a large decrease of initial claims for unemployment compensation.


COMPOSITE INDEX
OF LEADING INDICATORS
April 1986 - April 1987

LEADING INDICATORS

Production workers in Wisconsin's manufacturing industries spent fewer hours on the job in April than in one month earlier. The average workweek in April decreased to 40.5 hours, a drop of seven-tenths of an hour from the previous month's average. The hours-worked figure usually does decrease in April, but this month's decrease is bigger than the normal seasonal trend. The workweek should have averaged above forty-one hours to remain seasonally on par.

The average amount of weekly overtime worked decreased and that contributed to the shorter workweek. And, April did include a long holiday weekend during the data-collection week.

Offsetting the shorter workweek is an increase in the number of people employed in the state's factories. Manufacturing employment usually increases slightly in April, but this month's growth exceeded the normal seasonal pattern.

The average weekly initial claims for unemployment compensation decreased by nearly eight-hundred during April. The normal seasonal pattern for this April is a slight increase of initial claims, so this month's average indicates a healthy economic trend. Larger-than-normal employment growth and a larger-than-normal decrease in unemployment probably kept the claims level down. Since employment figures are affected by seasonal factors, it's likely that some of the normal March to April labor force growth occurred in earlier months, thus releasing some of the unemployment pressure of a flooded labor market.

There was an increase in the number of job openings received by Job Service offices throughout the state, an increase of 227 over the previous month. That, however, was slightly below the normal seasonal pattern for April.

New business incorporations increased by sixty to a total of 624 in April. An increase to about 585 would have been normal for this month.

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
LEADING INDICATORS							
L1 COMPOSITE INDEX OF LEADING INDICATORS							
Seasonally Adjusted	INDEX	96.6 Apr	94.3	104.6	2.4	- 7.6	93.0
L2 AVG. WORK WEEK, MFG.							
Unadjusted	HOURS	40.5 Apr	41.2	40.9	- 1.7	1.0	41.3
Seasonally Adjusted		40.8	41.4	41.2	- 1.4	- 1.0	
L3 AVG. OVERTIME HOURS, MFG.							
Unadjusted	HOURS	3.2 Apr	3.6	3.3	-11.1	- 3.0	3.6
Seasonally Adjusted		3.6	3.8	3.7	- 5.3	- 2.7	
L4 AVG. WEEKLY INITIAL CLAIMS							
Unadjusted	NUMBER	7,167 Apr	7,958	8,155	- 9.9	-12.1	8,802
Seasonally Adjusted		7,210	8,129	8,203	-11.3	-12.1	
L5 TOTAL JOB OPENINGS REC.							
Unadjusted	NUMBER	7,724 Apr	7,497	8,740	3.0	-11.6	7,743
Seasonally Adjusted		8,460	8,519	9,568	- 0.7	-11.6	
L6 NEW BUSINESS INCORPORATIONS							
Unadjusted	NUMBER	624 Apr	564	625	10.6	- 0.2	539
Seasonally Adjusted		591	555	593	6.5	- 0.3	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES							
Unadjusted	NUMBER	2,084 Apr	2,354	1,398	-11.5	49.1	1,276
Seasonally Adjusted		1,514	1,416	2,254	6.9	-32.8	
L8 BUILDING PLANS EXAMINED							
Unadjusted	NUMBER	642 Apr	491	689	30.8	- 6.8	560
Seasonally Adjusted		616	593	661	3.9	- 6.8	
ROUGHLY COINCIDING INDICATORS							
C1 HELP-WANTED INDEX (MILW.)							
Seasonally Adjusted	INDEX	66 Mar	69	57	- 4.3	15.8	60
C2 UNEMPLOYMENT RATE, TOTAL							
Unadjusted	PERCENT	6.1 Apr	7.6	7.6	–	–	7.0
Seasonally Adjusted		5.7	6.4	7.1	–	–	
C3 NATURAL GAS SALES							
Unadjusted	MIL. THERMS	248.4 Mar	270.1	310.7	- 8.0	-20.1	214.6
Seasonally Adjusted		182.6	163.3	228.5	11.8	-20.1	
C4 NEW CAR REGISTRATIONS							
Unadjusted	NUMBER	15,978 Apr	12,708	18,061	25.7	-11.5	16,947
Seasonally Adjusted		14,894	14,620	16,833	1.9	-11.5	
C5 ELECTRIC POWER SALES							
Unadjusted	MIL. KWH	2,025.0 Mar	1,861.8	1,911.2	8.8	6.0	1,946.0
Seasonally Adjusted		2,014.9	1,963.9	1,902.1	2.6	5.9	
C6 TOTAL SECURITIES REGISTRATIONS							
Unadjusted	MIL. DOL.	111.3 Apr	82.1	300.8	35.6	-63.0	171.0
Seasonally Adjusted		161.3	79.1	436.0	103.9	-63.0	

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
C7 MANUFACTURING EMPL.								
Unadjusted	THOUS.	512.4	Apr	508.2	507.2	0.8	1.0	513.0
Seasonally Adjusted		519.7		518.6	514.5	0.2	1.0	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	427.68	Apr	436.31	425.36	- 2.0	0.5	427.38
Seasonally Adjusted		428.97		435.00	426.72	- 1.4	0.5	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	353.6	Feb	491.8	352.2	-28.1	0.4	416.8
Seasonally Adjusted		388.1		471.1	386.5	-17.6	0.4	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS.	61.1	Apr	55.8	59.8	9.5	2.2	64.0
Seasonally Adjusted		68.3		69.7	66.8	- 2.0	2.2	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	5,668	Apr	6,397	5,667	-11.4	0.0	6,033
Seasonally Adjusted		5,617		6,481	5,616	-13.3	0.0	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3,368	Apr	3,807	3,277	-11.5	2.8	3,514
Seasonally Adjusted		3,440		3,678	3,348	- 6.5	2.7	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	2,300	Apr	2,590	2,390	-11.2	- 3.8	2,519
Seasonally Adjusted		2,289		2,878	2,379	-20.5	- 3.8	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	1,892	Apr	1,746	2,000	8.4	- 5.4	3,207
Seasonally Adjusted		2,889		3,520	3,056	-17.9	- 5.5	
X5 CONSUMER PRICE INDEX (MILW.)								
Unadjusted	INDEX	330.7	Nov	(Sep) 332.9	333.9	- 0.7	- 1.0	331.7
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	133	Apr	131	125	1.5	6.4	131
Seasonally Adjusted		133		130	125	2.3	6.4	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	1,658	Apr	503	1,154	229.6	43.7	1,363
Seasonally Adjusted		1,591		1,412	1,158	12.7	37.4	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	1,240	Apr	1,240	0	0.0	100.0	769
Seasonally Adjusted		2,385		6,425	0	-62.9	100.0	
X9 UNEMPL. COMPENSATION EXHAUSTEES								
Unadjusted	NUMBER	21,492	Apr	20,988	28,744	2.4	-25.2	26,223
Seasonally Adjusted		19,345		21,093	25,891	- 8.3	-25.3	

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES APRIL	(In Thousands)			Pct. Chg.	
	Latest * Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2442.7	2423.4	2364.4	0.8	3.3
Employment (Inc. Labor Disputes)	2294.5	2239.1	2185.3	2.5	5.0
Unemployment	148.3	184.3	179.1	-19.5	-17.2
Unemployment Rate	6.1	7.6	7.6	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2475.7	2480.5	2393.8	- 0.2	3.4
Employment (Inc. Labor Disputes)	2334.2	2322.7	2222.9	0.5	5.0
Unemployment	141.5	157.8	170.9	-10.3	-17.2
Unemployment Rate	5.7	6.4	7.1	-	-

WISCONSIN EMPLOYMENT ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2035.1	2007.5	1994.0	1.4	2.1
Unadjusted					
Manufacturing	511.4	507.2	507.2	0.8	0.8
Mining	2.1	1.6	1.9	31.2	10.5
Contract Construction	61.1	55.8	59.8	9.5	2.2
Transportation and Public Utilities	92.3	91.1	93.2	1.3	- 1.0
Elec., Gas and Sanitary Services	17.4	17.4	17.1	0.0	1.8
Wholesale Trade	101.3	100.4	99.1	0.9	2.2
Retail Trade	380.0	372.2	367.3	2.1	3.5
General Merchandise	48.4	48.1	47.2	0.6	2.5
Finance, Insurance and Real Estate	110.3	109.5	106.3	0.7	3.8
Banking	27.9	27.8	27.6	0.4	1.1
Insurance	36.1	36.0	34.8	0.3	3.7
Service and Miscellaneous	441.9	436.8	427.9	1.2	3.3
Hospitals	67.8	67.8	66.7	0.0	1.6
Private Education	25.0	25.1	25.8	- 0.4	- 3.1
Government	334.6	333.0	331.3	0.5	1.0
State Government	87.0	86.0	86.2	0.9	0.9
Local Government	218.9	218.2	216.7	0.3	1.0

UNITED STATES LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	119,335	119,222	117,292	0.1	1.7
Employment	111,835	111,368	108,969	0.4	2.6
Unemployment	7,500	7,854	8,323	- 4.5	- 9.9
Unemployment Rate	6.3	6.6	7.1	-	-

* Latest month data are preliminary

MANUFACTURING EMPLOYMENT *(Unadjusted)* APRIL	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	511.4	507.2	507.2
All Manufacturing (Excluding Canning)	503.4	499.0	499.2
Durable Goods	313.2	309.3	312.2
Lumber and Wood Prod., (Except Furniture)	24.5	23.6	22.8
Sawmills and Planning Mills	3.1	3.0	3.2
Millwork, Veneer, Plywood & Prefab. Wood Prod.	12.3	11.9	11.0
Furniture and Fixtures	11.1	10.9	10.3
Household Furniture	4.7	4.6	4.6
Stone, Clay and Glass Products	8.7	7.5	7.7
Concrete, Gypsum and Plaster Products	4.3	3.1	3.6
Primary Metal Industries	18.7	18.5	19.1
Iron and Steel Foundries	9.6	9.5	9.8
Fabricated Metal Products	50.6	50.3	51.7
Heating Equipment (Except Electrical) & Plumbing Fixtures	6.9	6.9	6.2
Fabricated Structural Metal Products	12.0	11.8	12.6
Metal Stampings	10.3	10.4	10.8
Machinery (Except Electrical)	99.3	99.0	100.6
Engines and Turbines	20.0	20.1	19.3
Farm Machinery and Equipment	11.9	11.8	12.4
Const., Min. & Material Handling Mach. & Equip.	11.2	11.1	11.2
Metalworking Machinery and Equipment	10.7	10.7	11.2
Special Industry Machinery (Except Metalworking)	11.6	11.6	12.5
General Industrial Machinery and Equipment	13.7	13.7	13.8
Service Industry Machines	6.7	6.7	7.2
Electrical Machinery, Equipment and Supplies	47.6	47.3	48.2
Electrical Industrial Apparatus	15.4	15.3	16.3
Household Appliances	6.1	6.1	6.3
Transportation Equipment	32.9	32.2	31.2
Motor Vehicles and Equipment	25.6	24.9	23.8
Instruments and Related Products	10.7	10.7	11.4
Miscellaneous Manufacturing	9.2	9.2	9.1
Nondurable Goods	198.2	197.9	195.0
Food and Kindred Products	57.1	56.9	56.5
Meat Products	13.0	12.8	13.6
Dairy Products	17.1	17.1	16.7
Canning and Preserving	8.0	8.2	8.0
Bakery Products	4.9	4.8	4.3
Beverage Industries	7.3	7.2	7.4
Textile Mill Products	3.5	3.4	3.9
Knitting Mills	3.0	2.8	3.4
Apparel and Other Finished Products	6.7	6.9	6.2
Paper and Allied Products	48.9	49.0	48.2
Pulp and Paper Mills	30.4	30.6	30.0
Converted Paper and Paperboard Products	10.2	10.2	10.0
Paperboard Containers and Boxes	7.1	7.0	6.9
Printing, Publishing and Allied Industries	40.0	39.8	39.3
Newspapers	12.3	12.3	12.0
Commercial Printing	17.0	17.0	17.2
Chemicals and Allied Products	11.0	10.9	10.5
Rubber and Misc. Plastics Products	24.1	24.2	23.1
Miscellaneous Plastics Products	19.8	20.0	18.7
Leather and Leather Products	6.5	6.6	7.1
Leather Tanning and Finishing	1.7	1.7	1.8
Footwear (Except Rubber)	3.1	3.0	3.5
Other Nondurable Goods	–	–	–

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* APRIL	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$428	$436	$425	40.5	41.2	40.9
All Manufacturing (Excl. Canning)	429	438	428	40.5	41.2	41.0
Durable Goods	431	447	434	40.5	41.7	41.1
Lumber/Wood Prod. (Exc. Furn.)	320	317	308	40.5	39.9	38.6
Furniture and Fixtures	334	341	328	41.6	43.0	42.2
Stone, Clay and Glass Products	403	412	402	44.2	45.1	41.8
Primary Metal Industries	430	444	417	42.7	43.3	42.0
Iron and Steel Foundries	440	448	419	44.0	44.2	42.3
Fabricated Metal Products	404	419	414	39.0	40.6	40.1
Fab. Structural Metal Prod.	419	425	437	42.5	43.2	41.3
Metal Stampings	435	451	425	38.0	39.5	39.5
Machinery (Except Electrical)	487	510	495	41.5	43.2	42.5
Engines and Turbines	579	603	555	42.7	44.6	42.5
Farm Machinery and Equip.	518	533	524	40.6	41.5	41.2
Const. and Related Mach.	443	471	460	40.4	43.0	42.4
Metalworking Mach. and Equip.	501	539	543	41.4	44.1	44.1
Spec. Ind. Mach. (Exc. Metal) .	464	485	499	40.5	41.8	42.8
Gen. Industrial Mach. and Equip.	478	492	512	41.2	42.2	42.9
Electrical Mach., Equip. and Supp.	395	413	402	39.2	40.8	40.2
Electrical Industrial Apparatus	438	436	416	40.9	40.7	39.9
Transportation Equipment	544	564	550	39.7	40.9	40.9
Instruments and Related Prod.	350	347	362	39.1	39.2	40.4
Nondurable Goods	421	418	412	40.4	40.3	40.7
Food and Kindred Products	387	385	389	39.2	39.2	39.9
Meat Products	348	347	349	39.6	38.8	39.4
Dairy Products	388	391	389	39.8	40.1	39.6
Textile Mill Products	305	323	321	39.5	40.8	41.3
Apparel and Other Fin. Prod.	234	238	236	36.6	37.8	37.6
Paper and Allied Products	565	549	535	45.2	44.0	44.6
Pulp and Paper Mills	625	598	583	47.2	45.2	45.8
Printing, Pub. and Allied Prod.	419	420	422	37.3	37.6	38.5
Chemicals and Allied Products	474	489	454	41.1	42.1	40.2
Rubber and Misc. Plastics Prod.	324	329	322	39.5	39.8	39.6
Leather and Leather Products.	258	263	250	37.8	37.9	37.3

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* APRIL	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$10.56	$10.59	$10.40	$10.14	$10.15	$ 9.99
All Manufacturing (Excl. Canning)	10.59	10.62	10.44	10.17	10.19	10.03
Durable Goods	10.64	10.72	10.57	10.31	10.32	10.20
Lumber/Wood Prod. (Exc. Furn.)	7.90	7.95	9.97	-	-	-
Furniture and Fixtures	8.03	7.94	7.78	7.77	7.64	7.46
Stone, Clay and Glass Products	9.11	9.14	9.62	8.81	8.83	9.37
Primary Metal Industries	10.08	10.25	9.93	9.69	9.78	9.52
Iron and Steel Foundries	10.00	10.13	9.91	9.57	9.67	9.57
Fabricated Metal Products	10.37	10.33	10.32	10.01	9.98	9.96
Fab. Structural Metal Prod.	9.86	9.84	10.58	9.47	9.41	10.09
Metal Stampings	11.45	11.42	10.76	11.20	11.06	10.48
Machinery (Except Electrical)	11.74	11.81	11.65	11.25	11.21	11.19
Engines and Turbines	13.55	13.53	13.07	12.60	12.51	12.45
Farm Machinery and Equip.	12.76	12.84	12.72	12.40	12.38	12.38
Const. and Related Mach.	10.96	10.95	10.85	10.72	10.51	10.58
Metalworking Mach. and Equip.	12.11	12.22	12.32	11.83	11.73	11.66
Spec. Ind. Mach. (Exc. Metal).	11.45	11.61	11.65	11.09	11.13	11.12
Gen. Industrial Mach. and Equip.	11.60	11.67	11.94	11.29	11.29	11.33
Electrical Mach., Equip. and Supp.	10.08	10.12	9.99	9.84	9.80	9.74
Electrical Industrial Apparatus	10.72	10.71	10.43	10.69	10.61	10.25
Transportation Equipment	13.70	13.80	13.44	13.35	13.38	12.98
Instruments and Related Prod.	8.94	8.86	8.97	8.79	9.72	8.79
Nondurable Goods	10.42	10.38	10.12	9.86	9.87	9.63
Food and Kindred Products	9.87	9.83	9.74	9.39	9.36	9.25
Meat Products	8.80	8.94	8.85	8.51	8.61	8.51
Dairy Products	9.74	9.74	9.82	9.26	9.29	9.39
Textile Mill Products	7.73	7.91	7.78	7.58	7.63	7.54
Apparel and Other Fin. Prod.	6.40	6.30	6.27	6.36	6.20	6.14
Paper and Allied Products	12.51	12.47	11.99	11.69	11.79	11.38
Pulp and Paper Mills	13.24	13.23	12.72	12.28	12.46	12.09
Printing, Pub. and Allied Prod.	11.23	11.18	10.97	-	-	-
Chemicals and Allied Products	11.53	11.62	11.29	11.31	11.28	11.02
Rubber and Misc. Plastics Prod.	8.21	8.27	8.12	7.95	7.98	7.86
Leather and Leather Products.	6.83	6.93	6.69	6.61	6.72	6.51

Section

C

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)*	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$399	$402	$393	40.9	40.9	40.5	9.87	9.84	9.70	–	–
Wisconsin	428	436	425	40.5	41.2	40.9	10.56	10.59	10.40	10.14	10.15
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	453	457	439	42.5	42.4	42.4	10.66	10.77	10.36	10.23	10.24
Beloit (City)	385	401	409	37.9	39.3	41.8	10.15	10.21	9.78	–	–
Eau Claire (Eau Claire-Chippewa)	418	428	413	38.5	40.2	39.7	10.86	10.64	10.41	10.25	10.17
Fond du Lac (County)	364	398	404	37.5	40.3	42.3	9.70	9.88	9.56	9.41	9.52
Green Bay (Brown County)	467	461	473	41.3	40.8	41.7	11.31	11.29	11.35	10.54	10.52
Janesville (City)	527	541	502	38.3	38.5	37.3	13.75	14.04	13.47	13.74	13.98
Janesville-Beloit (Rock County)	464	482	462	38.0	38.6	38.5	12.22	12.48	12.00	12.09	12.27
Kenosha (County)	467	489	428	39.0	40.5	38.7	11.98	12.08	11.06	11.57	11.64
La Crosse (County)	357	364	369	39.0	39.5	39.2	9.16	9.21	9.42	8.89	8.95
Madison (Dane County)	392	400	399	39.8	40.3	40.5	9.86	9.93	9.86	9.57	9.56
Manitowoc (County)	396	399	386	39.0	39.5	40.3	10.15	10.09	9.57	9.89	9.85
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	473	489	473	40.4	41.6	40.7	11.71	11.76	11.62	11.18	11.16
Racine (County)	436	442	441	39.6	40.1	40.1	11.00	11.02	10.99	10.90	10.88
Sheboygan (County)	385	397	384	39.7	40.8	40.0	9.71	9.74	9.59	9.30	9.26
Wausau (Marathon County)	407	409	402	41.5	41.6	41.2	9.80	9.84	9.76	9.41	9.39

EMPLOYMENT, MFG. *(Unadjusted)*	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,134.0	19,102.0	19,154.0	0.2	- 0.1
Wisconsin	511.4	507.2	507.2	0.8	0.8
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	48.3	48.3	48.9	0.0	- 1.2
Beloit (City)	4.6	4.6	5.2	0.0	-11.5
Eau Claire (Eau Claire-Chippewa)	10.2	10.0	9.8	2.0	4.1
Fond du Lac (County)	10.2	10.3	10.0	-1.0	- 2.0
Green Bay (Brown County)	23.6	23.5	23.8	0.4	- 0.8
Janesville (City)	9.7	9.8	10.8	-1.0	-10.2
Janesville-Beloit (Rock County)	16.4	16.2	17.8	1.2	- 7.9
Kenosha (County)	12.9	12.2	11.0	5.7	17.3
La Crosse (County)	10.2	10.0	10.2	2.0	0.0
Madison (Dane County)	21.6	21.5	20.5	0.5	5.4
Manitowoc (County)	10.8	10.7	12.0	0.9	-10.0
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	166.1	166.0	168.2	0.1	- 1.2
Racine (County)	24.1	24.2	24.4	-0.4	- 1.2
Sheboygan (County)	19.1	19.0	18.2	0.5	4.9
Wausau (Marathon County)	12.4	12.1	11.5	2.5	7.8

WISCONSIN ECONOMIC FORECAST

by David H. Peterson and Gene Schubert

Department of Revenue

The U.S. economic outlook continues to be characterized by continued economic growth and rising inflationary trends. Growth in real Gross National Product (GNP) this year is expected to be 2.7 percent. Last year's inflation, 1.9 percent as measured by the Consumer Price Index (CPI), is likely to accelerate to 3.8 percent, stemming mostly from rising prices for imported goods. Real economic growth is expected to be only marginally better in 1988, with an increase in real GNP of 2.8 percent, followed by a gain of 2.1 percent in 1989. The CPI is expected to increase by 4.6 percent in 1988, and by 4.7 percent in 1989.

Much of the economic fundamentals surrounding the financial news of the past few months has been understood for quite some time. The falling dollar inexorably forces up import prices because our trading partners cannot squeeze profit margins forever just to maintain market share. The rise in foreign goods prices allows domestic producers the flexibility to follow suit. With the collar continuing to fall and very little improvement in the trade deficit registered to date, it may be time to decide that the weakness of borrowers in less developed countries (LDC's), domestic thrifts, and various energy and industrial companies is insufficient reason to hold the lid on short-term credit costs.

Most of the recent price surges have come from energy and agriculture, areas well known for price volatility. Most of the gain in real GNP in the first quarter came from unwanted inventory accumulation as auto production schedules were much too optimistic in relation to sales. Real GNP growth for the remainder of this year is expected to follow the familiar seesaw pattern of alternate weak and strong performance, but averaging 2.7 percent year-over-year growth.

This suggests that real economic growth is not yet sufficiently robust to cause capacity problems of the type that usually precede rapid inflation and noncompetitive wage settlements. The current outlook calls for continued slow growth with no signs of a recession. But the dollar, credit markets, and price indices should be subjects of close scrutiny in the coming months for signs of a changing course.

Consumer outlays during the middle phases of the current economic expansion provided much of the fuel for continued growth. Exceptionally high levels of consumption were helped by the stronger dollar which made imports relatively cheap, ample supplies of credit, and falling inflation. Now that the dollar has reversed course, foreign goods have become more expensive; credit supplies are getting tighter, and inflationary expectations are on the rise. With an overhand of past debt accumulation, and still weak growth in real disposable income, consumers can be expected to cut back spending. With saving rates at historical lows, there is little room for a spending increase. On a fourth-quarter over fourth-quarter basis, real consumer spending is expected to rise just 1.9 percent this year, followed by 1.4 percent growth in 1988, and 1.3 percent gains in 1989. While service consumption should grow steadily at 2.3 percent per year, goods consumption is expected to slow from the 4.6 percent annual pace averaged from 1983-1986 to just 1.2 percent in 1989.

Real business fixed investment is expected to slide 1.1 percent this year, before rebounding 4.2 percent in 1988 and 2.7 percent in 1989. Recent evidence from increases in nondefense orders and shipments are encouraging, and the second half of this year should show a strong improvement: growth is projected to reach a 6.0 percent average annual rate as continuing gains in foreign trade help to boost domestic production demand. Although equipment spending should rise only 2.6 percent this year on average, the strength late this year is expected to carry forward into 1988 for the year to register a 4.3 percent increase; growth in equipment spending is expected to slacken to 2.2 percent in 1989.

The outlook for nonresidential structures is much bleaker, with little prospect of any advance until next year. Investment is projected to drop 10.1 percent this year, before recovering 3.7 percent next year and 4.0 percent in 1989.

The multi-family market is vastly overbuilt: the rental vacancy rate climbed to 7.4 percent in 1986, compared with an average of 5.6 percent since 1970. Multi-family starts are expected to drop 14.7 percent in 1987 to 538 thousand units, continue to fall to 513 thousand in 1988, then recover to 571 thousand units in 1989.

Strong underlying demographic demand should continue to support growth in single-family construction. Mortgage rates are expected to average 10.0 percent annually in the 1987-1989 period, well below the borrowing costs in the first half of the 1980's. The median new home price, however, is projected to rise 7.2 percent in 1987 and an average 5.4 percent per year in 1988-1989. Single-family starts should, therefore, fall from a nine-year high of 1.23 million units in 1987 to an average of 1.12 million units annually in the next two years.

The past role of consumer spending in keeping the recovery alive is now expected to pass to the foreign trade sector. The export recovery is expected to get firmly back on track in the spring quarter, after suffering a setback in the first quarter, while nominal trade balances will probably turn around by summer. As the dollar's depreciation restores U.S. competitiveness in world markets, real export growth is expected to reach 9.1 percent this year and 11.7 percent in 1988 before settling back to 6.6 percent in 1989.

While inflation will be considerably higher this year than last, the increase should come as no surprise after the 19.1 percent drop in energy prices over the course of 1986. With energy prices recovering and import prices accelerating, the CPI should climb 4.7 percent this year (fourth quarter over fourth quarter) and rise at a similar pace in 1988 and 1989--but not accelerate further.

Wisconsin Outlook

Strong growth in the first quarter of this year combined with a continued favorable national forecast indicate that 1987 is likely to be a good year for economic growth in Wisconsin. Risks to the forecast, however, still exist. Unfavorable national economic events such as a sharp increase in interest rates, could easily undo the presently favorable prospects.

The Wisconsin economy performed strongly in the first quarter of 1987 with total nonfarm employment increasing by 25 thousand jobs on a seasonally-adjusted basis. Some caution should be used in interpreting this gain because the measurement of first quarter employment is heavily influenced by seasonal factors. For

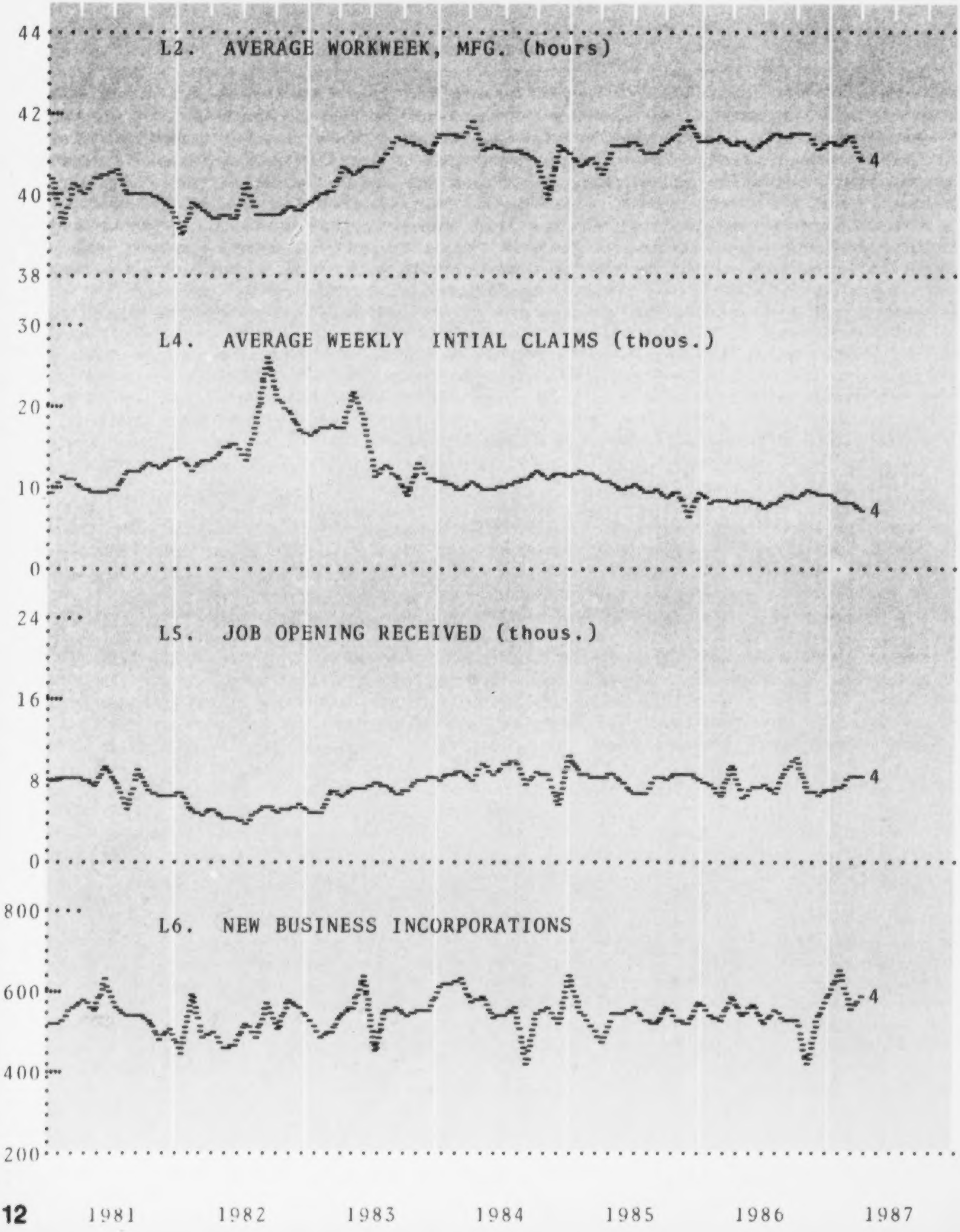
(Continued on back cover)

WISCONSIN EMPLOYMENT FORECAST
(Thousands of Workers, Annual Average)

	1985	1986	1987	1988	1989
MANUFACTURING	513.9	512.5	520.1	531.4	535.2
DURABLES	315.5	310.2	314.2	322.5	323.7
LUMBER PRODUCTS	22.9	23.3	24.8	25.0	24.7
STONE, CLAY, GLASS	7.9	7.9	8.8	9.1	9.2
PRIMARY METALS	19.5	19.0	18.9	19.4	19.5
FABRICATED METALS	51.4	51.5	51.3	53.7	54.4
NON-ELECT. MACHINERY	100.5	98.6	98.3	100.0	99.6
ELECTRICAL MACHINERY	49.9	48.5	47.0	48.3	50.1
TRANS. EQUIPMENT	32.3	30.5	34.2	35.4	34.1
OTHER DURABLES	31.0	30.9	30.9	31.7	32.3
NONDURABLES	198.4	202.2	205.9	208.9	211.5
FOOD PRODUCTS	61.6	62.1	62.2	62.2	62.1
PAPER PRODUCTS	48.0	49.0	49.9	51.5	52.3
PRINTING & PUBLISHING	38.1	39.6	40.9	42.4	43.7
CHEMICALS	10.0	10.6	10.6	10.3	10.4
RUBBER & PLASTICS	22.5	23.3	24.6	25.0	25.7
OTHER NONDURABLES	18.3	17.6	17.7	17.5	17.2
MINING	1.9	2.0	2.3	2.4	2.5
CONSTRUCTION	64.4	63.8	68.3	68.1	68.4
TRANS., COMM., UTILITIES	94.2	92.8	94.0	95.2	95.7
FINANCE, INSUR., REAL EST.	103.9	107.7	111.3	114.5	117.8
TRADE	465.1	477.8	492.1	498.7	505.8
SERVICES	419.0	432.9	449.3	467.7	487.9
GOVERNMENT	320.6	325.1	326.5	326.5	326.4
TOTAL EMPLOYMENT (Nonfarm)	1983.0	2014.7	2063.8	2104.5	2139.7

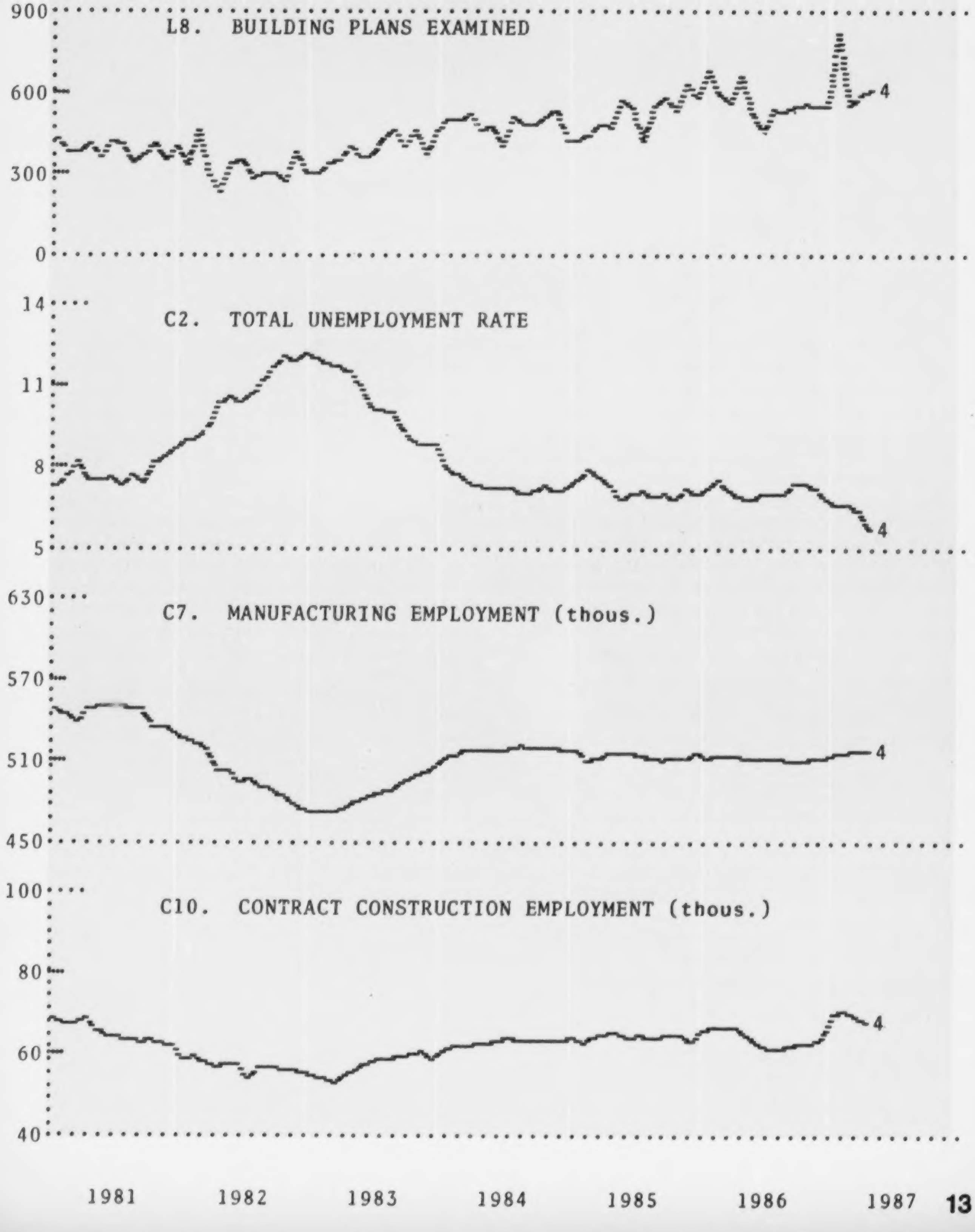
Section

D CYCLICAL INDICATORS



Section

D CYCLICAL INDICATORS



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(Continued from page 10)

example, construction employment showed particularly large gains which was no doubt influenced by the relatively mild winter weather. Nevertheless, strength was visible in every major employment category except government. Trade and service employment accounted for the largest share of the gain. Durable goods employment was boosted by the start-up of Chrysler production in Kenosha.

Employment data for 1985 and 1986 presented with this forecast incorporate the benchmark revisions released by the Department of Industry, Labor and Human Relations in February 1987. The revisions increased employment growth in 1985 and lowered growth in 1986 leaving the 1986 ending level basically unchanged. The revisions did change the composition of employment by industry, the trade and service sectors were found to be stronger than previously thought. Manufacturing employment was revised downward.

The forecast of improvement of U.S. net exports is good news for the Wisconsin economy. Growth in manufacturing employment in Wisconsin, while less than in the 1970's, is forecast to be higher than the U.S. average in 1987 through 1989.

Nevertheless, in the current economic environment, employment gains are likely to continue to occur predominately in the trade and service sectors. This is reflected in our current forecast where more than 60.0 percent of the employment gain is expected to occur in these two sectors. Total nonfarm employment is forecast to grow by 2.4 percent in 1987 and 2.0 percent in 1988. In the present low inflation environment, income gains will be modest. Wage gains in the high-wage manufacturing sector will continue to be constrained by the demands of international competition. At the same time the majority of new jobs will be created in the relatively low-wage trade and service sectors. Under these conditions, average weekly earnings are expected to grow by 3.0 to 4.0 percent. As a result, wages and salaries are expected to grow by 5.6 percent in 1987 and 5.7 percent in 1988.

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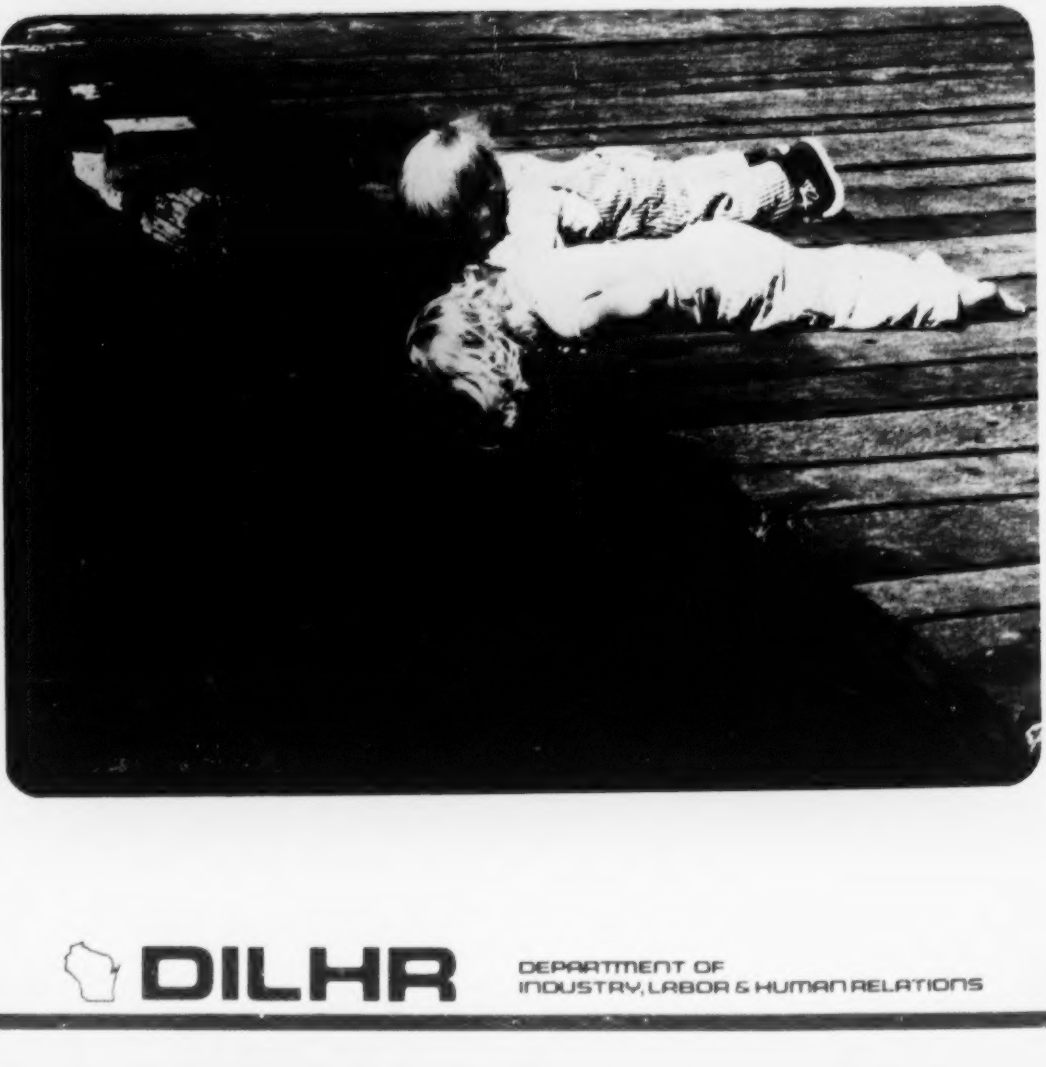
WISCONSIN
ECONOMIC
INDICATORS

JUNE 1987



DILHR

DEPARTMENT OF
INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Regisgtrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

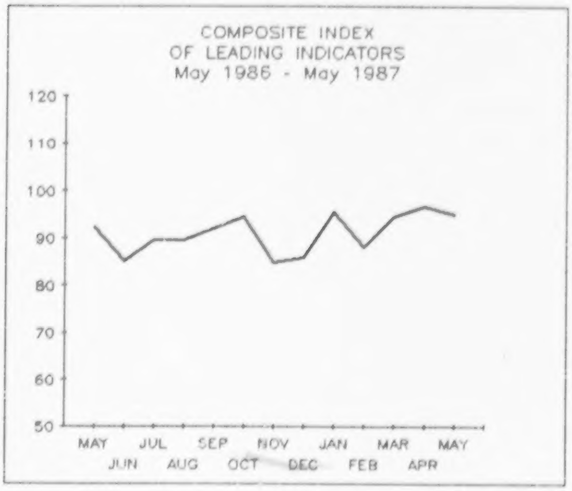
COVER PHOTO: Courtesy of Wisconsin Division of Tourism Development

THE WISCONSIN ECONOMY

SUMMARY FOR MAY

COMPOSITE INDEX

Wisconsin's composite index of leading economic indicators decreased to 95.0 in May. The index had been 96.6 one month earlier. A variation of two points is not significant unless persistent for three or more months. The main culprit in the index decline is a decrease in the number of job openings received in May.



LEADING INDICATORS

Employees in Wisconsin's manufacturing industries spent more hours on the job in May than in the previous month. The average workweek in manufacturing increased by one-half hour. Normal seasonal factors account for about forty percent of the gain, the rest is a gain in the annual level of production activity.

The average workweek during the first five months of this year is slightly below the comparable figure of one year ago. However, manufacturing employment is averaging nearly four-thousand more workers this year, so the total labor input into manufacturing has grown.

The average weekly amount of overtime worked in manufacturing increased by two-tenths of an hour. That is exactly par for this month of the year. In fact, the growth is quite good considering that the month's employment level in manufacturing rose by 2,300 workers. Employers usually increase their workforce in lieu of granting overtime.

The average weekly number of initial claims for unemployment compensation dropped by 1,246, a drop of over seventeen percent from one month earlier. May, however, usually has a very large decrease in the claims level and this month's decline does not match the normal seasonal pace. A decrease of over 1,600 would have been normal this month. In a broader perspective, the initial claims average so far this year is about 550 claims per week lower than the comparable figure for the first five months of one year ago.

The total number of job openings received by state Job Service offices decreased by over five hundred. The April-to-May calls for workers usually increases substantially, so this month's loss is well off the seasonal trend. An increase of over fifteen hundred would have been seasonally normal.

New business incorporations declined in May by one hundred thirty-three. That, too, is off the seasonal trend; incorporations usually increase slightly in May. However, new incorporations in the first four months of this year well out-number the year earlier figures. And even with this month's decrease, the year-to-date incorporations so far this year out-number the first five months of last year.

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
LEADING INDICATORS							
L1 COMPOSITE INDEX OF LEADING INDICATORS							
Seasonally Adjusted	INDEX	95.0 May	96.2	92.2	- 1.7	3.0	93.0
L2 AVG. WORK WEEK, MFG.							
Unadjusted	HOURS	40.9 May	40.4	41.1	1.2	- 0.5	41.3
Seasonally Adjusted		41.0	40.7	41.2	0.7	- 0.5	
L3 AVG. OVERTIME HOURS, MFG.							
Unadjusted	HOURS	3.4 May	3.2	3.4	6.2	0.0	3.6
Seasonally Adjusted		3.6	3.6	3.6	0.0	0.0	
L4 AVG. WEEKLY INITIAL CLAIMS							
Unadjusted	NUMBER	5,921 May	7,167	6,606	-17.4	-10.4	8,802
Seasonally Adjusted		7,700	7,210	8,593	6.8	-10.4	
L5 TOTAL JOB OPENINGS REC.							
Unadjusted	NUMBER	7,203 May	7,724	6,768	- 6.7	6.4	7,743
Seasonally Adjusted		6,584	8,460	6,187	-22.2	6.4	
L6 NEW BUSINESS INCORPORATIONS							
Unadjusted	NUMBER	491 May	624	598	-21.3	-17.9	539
Seasonally Adjusted		446	591	542	-24.5	-17.7	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES							
Unadjusted	NUMBER	2,378 May	2,084	2,162	14.1	10.0	1,276
Seasonally Adjusted		1,908	1,514	1,988	26.0	- 4.0	
L8 BUILDING PLANS EXAMINED							
Unadjusted	NUMBER	613 May	642	571	- 4.5	7.4	560
Seasonally Adjusted		565	616	527	- 8.3	7.2	
ROUGHLY COINCIDING INDICATORS							
C1 HELP-WANTED INDEX (MILW.)							
Seasonally Adjusted	INDEX	67 Apr	66	56	1.5	19.6	60
C2 UNEMPLOYMENT RATE, TOTAL							
Unadjusted	PERCENT	5.4 May	6.1	6.8	-	-	7.0
Seasonally Adjusted		5.7	5.7	7.1	-	-	
C3 NATURAL GAS SALES							
Unadjusted	MIL THERMS	151.0 Apr	248.4	194.8	-39.2	-22.5	214.6
Seasonally Adjusted		162.0	182.6	208.9	-11.3	-22.5	
C4 NEW CAR REGISTRATIONS							
Unadjusted	NUMBER	13,342 May	15,978	17,571	-16.5	-24.1	16,947
Seasonally Adjusted		12,031	14,894	15,840	-19.2	-24.0	
C5 ELECTRIC POWER SALES							
Unadjusted	MIL KWH	1,925.6 Apr	2025.0	1822.4	- 4.9	5.7	1946.0
Seasonally Adjusted		2,044.2	2014.9	1934.2	1.5	5.7	
C6 TOTAL SECURITIES REGISTRATIONS							
Unadjusted	MIL DOL	224.1 May	111.3	121.4	101.3	84.6	171.0
Seasonally Adjusted		206.7	161.3	112.0	28.1	84.6	

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
C7 MANUFACTURING EMPL.								
Unadjusted	THOUS	513.6	May	512.3	508.6	0.3	1.0	513.0
Seasonally Adjusted		517.7		519.6	512.6	- 0.4	1.0	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	431.90	May	427.03	426.21	1.1	1.3	427.38
Seasonally Adjusted		432.77		428.31	426.86	1.0	1.4	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	370.6	Mar	331.3	380.1	11.9	- 2.5	416.8
Seasonally Adjusted		386.0		363.7	395.8	6.1	- 2.5	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS.	66.0	May	61.2	66.4	7.8	- 0.6	64.0
Seasonally Adjusted		64.3		68.4	64.7	- 6.0	- 0.6	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	5,504	May	5,668	6,735	- 2.9	-18.3	6,033
Seasonally Adjusted		5,163		5,617	6,318	- 8.1	-18.3	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3,218	May	3,368	3,639	- 4.5	-11.6	3,514
Seasonally Adjusted		3,177		3,440	3,591	- 7.6	-11.5	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	2,286	May	2,300	3,096	- 0.6	-26.2	2,519
Seasonally Adjusted		1,988		2,289	2,692	-13.1	-26.2	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	3,372	May	1,892	3,481	78.2	- 3.1	3,207
Seasonally Adjusted		2,902		2,889	2,995	0.4	- 3.1	
X5 CONSUMER PRICE INDEX (MILW.)								
Unadjusted	INDEX	330.7	Nov	(Sep) 332.9	333.9	- 0.7	- 1.0	331.7
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	134	May	133	127	0.8	5.5	131
Seasonally Adjusted		136		133	128	2.3	6.2	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	-2,046	May	1,658	-1,116	-223.4	-83.3	1,363
Seasonally Adjusted		1,544		1,591	1,384	- 3.0	11.6	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	24	May	1,240	305	-98.1	-92.1	769
Seasonally Adjusted		55		2,385	704	-97.7	-92.2	
X9 UNEMPL. COMPENSATION EXHAUSTEES	NUMBER							
Unadjusted		21,258	May	21,529	29,674	- 1.3	-28.4	26,223
Seasonally Adjusted		18,796		19,378	26,233	- 3.0	-28.3	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
MAY	Latest * Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2478.5	2451.6	2404.6	1.1	3.1
Employment (Inc. Labor Disputes)	2344.9	2302.1	2242.3	1.9	4.6
Unemployment	133.6	149.5	162.3	-10.6	-17.7
Unemployment Rate	5.4	6.1	6.8	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2466.0	2484.6	2394.3	- 0.7	3.0
Employment (Inc. Labor Disputes)	2326.3	2341.9	2224.5	0.7	4.6
Unemployment	139.7	142.7	169.8	- 2.1	-17.7
Unemployment Rate	5.7	5.7	7.1	-	-

WISCONSIN EMPLOYMENT ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2057.8	2036.2	2020.0	1.1	1.9
Unadjusted					
Manufacturing	513.6	511.3	508.3	0.4	1.0
Mining	2.3	2.1	2.2	9.5	4.5
Contract Construction	66.0	61.2	66.4	7.8	-0.6
Transportation and Public Utilities	94.1	92.5	94.6	1.7	-0.5
Elec., Gas and Sanitary Services	17.5	17.4	17.3	0.6	1.2
Wholesale Trade	102.0	101.5	100.5	0.5	1.5
Retail Trade	388.6	380.1	375.3	2.2	3.5
General Merchandise	48.8	48.6	47.5	0.4	2.7
Finance, Insurance and Real Estate	111.3	110.4	107.2	0.8	3.8
Banking	28.2	28.0	27.7	0.7	1.8
Insurance	36.2	36.1	34.9	0.3	3.7
Service and Miscellaneous	445.8	441.8	431.7	0.9	3.3
Hospitals	67.9	67.8	66.6	0.1	2.0
Private Education	23.7	24.8	24.7	-4.4	-4.0
Government	334.2	335.4	333.8	-0.4	0.1
State Government	86.7	87.6	86.2	-1.0	0.6
Local Government	218.8	219.0	219.1	-0.1	-0.1

UNITED STATES LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	119,993	119,335	117,587	0.6	2.0
Employment	112,447	111,835	109,165	0.5	3.0
Unemployment	7,546	7,500	8,422	0.6	-10.4
Unemployment Rate	6.3	6.3	7.2	-	-

MANUFACTURING EMPLOYMENT ***(Unadjusted)*** MAY	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	513.6	511.3	508.3
All Manufacturing (Excluding Canning)	505.0	503.2	499.7
Durable Goods	313.2	312.9	311.1
Lumber and Wood Prod., (Except Furniture)	24.9	24.5	23.1
Sawmills and Planning Mills	3.2	3.1	3.1
Millwork, Veneer, Plywood & Prefab. Wood Prod.	12.8	12.4	11.4
Furniture and Fixtures	11.1	11.1	10.3
Household Furniture	4.8	4.7	4.6
Stone, Clay and Glass Products	8.9	8.6	8.2
Concrete, Gypsum and Plaster Products	4.6	4.3	4.0
Primary Metal Industries	18.4	18.7	19.1
Iron and Steel Foundries	9.5	9.6	9.7
Fabricated Metal Products	50.5	50.5	51.7
Heating Equipment (Except Electrical) & Plumbing Fixtures	7.1	6.9	6.3
Fabricated Structural Metal Products	11.9	12.0	12.7
Metal Stampings	10.3	10.4	10.6
Machinery (Except Electrical)	99.2	99.4	98.9
Engines and Turbines	19.9	20.0	18.3
Farm Machinery and Equipment	11.9	12.0	12.1
Const., Min. & Material Handling Mach. & Equip.	11.2	11.2	11.2
Metalworking Machinery and Equipment	10.7	10.7	10.9
Special Industry Machinery (Except Metalworking)	11.7	11.6	12.3
General Industrial Machinery and Equipment	13.7	13.7	13.8
Service Industry Machines	6.8	6.7	7.1
Electrical Machinery, Equipment and Supplies	47.2	47.1	48.1
Electrical Industrial Apparatus	15.2	15.1	16.2
Household Appliances	6.2	6.1	6.2
Transportation Equipment	33.0	33.1	31.3
Motor Vahicles and Equipment	25.8	25.8	23.8
Instruments and Related Products	10.6	10.7	11.4
Miscellaneous Manufacturing	9.4	9.2	9.1
Nondurable Goods	200.4	198.5	197.1
Food and Kindred Products	58.3	57.3	58.0
Meat Products	13.1	13.0	13.9
Dairy Products	17.6	17.2	17.1
Canning and Preserving	8.6	8.1	8.6
Bakery Products	5.1	4.9	4.4
Beverage Industries	7.2	7.3	7.4
Textile Mill Products	3.7	3.6	3.9
Knitting Mills	3.2	3.0	3.4
Apparel and Other Finished Products	6.8	6.7	6.3
Paper and Allied Products	49.4	49.0	48.6
Pulp and Paper Mills	30.8	30.5	30.2
Converted Paper and Paperboard Products	10.1	10.2	10.1
Paperboard Containers and Boxes	7.2	7.1	7.0
Printing, Publishing and Allied Industries	40.2	40.1	39.5
Newspapers	12.4	12.3	12.1
Commercial Printing	17.1	17.0	17.1
Chemicals and Allied Products	11.2	11.0	10.5
Rubber and Misc. Plastics Products	23.9	24.1	23.0
Miscellaneous Plastics Products	19.7	19.8	18.6
Leather and Leather Products	6.6	6.5	7.2
Leather Tanning and Finishing	1.7	1.7	1.7
Footwear (Except Rubber)	3.1	3.1	3.6
Other Nondurable Goods	–	–	–

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* MAY	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$432	$427	$426	40.9	40.4	41.1
All Manufacturing (Excl. Canning)	434	429	428	40.9	40.4	41.1
Durable Goods	437	429	431	41.2	40.4	41.1
Lumber/Wood Prod. (Exc. Furn.)	328	320	322	41.4	40.6	39.7
Furniture and Fixtures	340	334	322	42.4	41.6	41.3
Stone, Clay and Glass Products	430	406	406	45.9	44.2	42.7
Primary Metal Industries	431	429	418	42.1	42.6	42.2
Iron and Steel Foundries	432	440	422	42.3	44.0	42.8
Fabricated Metal Products	411	402	412	40.1	38.7	40.1
Fab. Structural Metal Prod.	429	420	426	43.2	42.5	41.4
Metal Stampings	442	433	429	39.0	37.9	39.3
Machinery (Except Electrical)	486	487	478	41.9	41.5	41.7
Engines and Turbines	538	579	516	41.4	42.7	40.5
Farm Machinery and Equip.	530	520	526	41.9	40.7	41.6
Const. and Related Mach.	456	443	456	42.0	40.4	41.9
Metalworking Mach. and Equip.	514	493	515	42.2	41.0	42.9
Spec. Ind. Mach. (Exc. Metal) .	481	467	494	41.6	40.8	42.5
Gen. Industrial Mach. and Equip.	481	475	507	41.2	41.0	42.7
Electrical Mach., Equip. and Supp.	408	393	407	40.0	38.9	40.7
Electrical Industrial Apparatus	447	436	417	40.9	40.6	39.3
Transportation Equipment	548	534	547	40.1	39.4	41.0
Instruments and Related Prod.	365	350	371	40.5	39.1	41.0
Nondurable Goods	424	422	420	40.4	40.3	41.2
Food and Kindred Products	394	386	394	39.8	39.1	40.4
Meat Products	364	347	349	40.1	39.5	39.5
Dairy Products	401	391	399	40.5	39.9	40.4
Textile Mill Products	299	299	322	39.6	39.4	41.4
Apparel and Other Fin. Prod.	243	234	241	37.9	36.6	39.2
Paper and Allied Products	555	570	543	43.8	45.0	44.8
Pulp and Paper Mills	604	630	595	44.8	47.0	46.0
Printing, Pub. and Allied Prod.	435	422	438	38.0	37.5	39.3
Chemicals and Allied Products	482	480	474	41.7	41.2	41.4
Rubber and Misc. Plastics Prod.	330	327	326	39.7	39.4	39.9
Leather and Leather Products.	259	255	253	38.0	37.6	37.9

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* MAY	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$10.56	$10.57	$10.37	$10.14	$10.15	$10.00
All Manufacturing (Excl. Canning)	10.60	10.61	10.41	10.18	10.19	10.04
Durable Goods	10.60	10.63	10.49	10.27	10.32	10.21
Lumber/Wood Prod. (Exc. Furn.)	7.92	7.89	8.11	7.89	-	-
Furniture and Fixtures	8.03	8.04	7.80	7.72	7.78	7.54
Stone, Clay and Glass Products	9.36	9.18	9.51	9.01	8.89	-
Primary Metal Industries	10.23	10.08	9.91	9.81	9.70	9.51
Iron and Steel Foundries	10.21	10.00	9.87	9.73	9.59	9.55
Fabricated Metal Products	10.26	10.40	10.28	9.90	10.04	9.94
Fab. Structural Metal Prod.	9.92	9.89	10.29	9.48	9.48	9.96
Metal Stampings	11.33	11.43	10.91	11.04	11.18	10.60
Machinery (Except Electrical)	11.60	11.73	11.47	11.14	11.24	11.05
Engines and Turbines	12.99	13.55	12.74	12.32	12.60	12.15
Farm Machinery and Equip.	12.66	12.78	12.64	12.17	12.40	12.27
Const. and Related Mach.	10.85	10.96	10.88	10.53	10.72	10.63
Metalworking Mach. and Equip.	12.18	12.03	12.00	11.79	11.80	11.55
Spec. Ind. Mach. (Exc. Metal) .	11.56	11.45	11.63	11.12	11.07	11.17
Gen. Industrial Mach. and Equip.	11.67	11.59	11.87	11.33	11.30	11.26
Electrical Mach., Equip. and Supp.	10.20	10.10	10.01	9.91	9.88	9.72
Electrical Industrial Apparatus	10.94	10.75	10.60	10.82	-	10.39
Transportation Equipment	13.66	13.55	13.33	13.29	13.28	12.92
Instruments and Related Prod.	9.00	8.95	9.04	8.78	8.80	8.82
Nondurable Goods	10.50	10.48	10.19	9.93	9.88	9.66
Food and Kindred Products	9.91	9.88	9.76	9.40	9.40	9.25
Meat Products	9.07	8.78	8.84	8.70	8.49	8.53
Dairy Products	9.89	9.81	9.88	9.39	9.33	9.42
Textile Mill Products	7.55	7.60	7.77	7.29	7.48	7.53
Apparel and Other Fin. Prod.	6.40	6.40	6.16	6.28	6.36	6.04
Paper and Allied Products	12.68	12.67	12.11	11.90	11.76	11.53
Pulp and Paper Mills	13.48	13.41	12.93	12.57	12.35	12.33
Printing, Pub. and Allied Prod.	11.44	11.25	11.15	-	-	-
Chemicals and Allied Products	11.56	11.65	11.45	11.24	11.41	11.09
Rubber and Misc. Plastics Prod.	8.32	8.29	8.17	8.00	8.01	7.86
Leather and Leather Products.	6.81	6.78	6.68	6.56	6.59	6.51

Section

C

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. **Production Workers** *(Unadjusted)*	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$403	$399	$395	40.9	40.4	40.6	9.86	9.87	9.72	-	-
Wisconsin	432	427	426	40.9	40.4	41.1	10.56	10.57	10.37	10.14	10.15
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	465	454	436	42.8	42.6	42.3	10.87	10.66	10.31	10.34	10.24
Beloit (City)	396	382	378	38.3	37.7	39.0	10.35	10.13	9.68	-	-
Eau Claire (Eau Claire-Chippewa)	427	433	421	40.1	39.1	40.5	10.64	11.07	10.39	10.06	10.38
Fond du Lac (County)	398	364	405	40.9	37.5	42.4	9.72	9.70	9.54	9.33	9.42
Green Bay (Brown County)	479	473	467	41.8	41.7	41.5	11.45	11.34	11.25	10.62	10.54
Janesville (City)	536	525	501	38.5	38.4	37.9	13.92	13.68	13.21	13.76	-
Janesville-Beloit (Rock County)	471	463	457	39.2	38.0	38.6	12.32	12.18	11.83	12.04	12.05
Kenosha (County)	466	466	440	39.1	38.9	39.9	11.92	11.99	11.03	11.51	11.58
La Crosse (County)	370	357	367	39.6	39.0	38.7	9.35	9.16	9.49	9.03	8.89
Madison (Dane County)	402	404	424	40.1	40.5	41.9	10.02	9.98	10.13	9.65	9.58
Manitowoc (County)	388	394	393	39.7	38.9	40.9	10.06	10.14	9.60	9.78	9.89
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	475	470	474	40.9	40.2	41.0	11.61	11.68	11.56	11.13	11.19
Racine (County)	455	438	441	40.4	39.6	40.2	11.26	11.05	10.98	11.00	10.93
Sheboygan (County)	394	388	382	40.5	40.2	39.7	9.74	9.66	9.62	9.32	9.26
Wausau (Marathon County)	411	408	396	41.7	41.7	41.0	9.85	9.79	9.67	9.39	9.38

EMPLOYMENT, MFG. *(Unadjusted)*	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	18,983.0	19,924.0	18,981.0	0.3	0.0
Wisconsin	513.6	511.3	508.3	0.4	1.0
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	49.1	48.3	49.0	1.7	0.2
Beloit (City)	4.6	4.6	5.0	0.0	- 8.0
Eau Claire (Eau Claire-Chippewa)	10.3	10.2	10.0	1.0	3.0
Fond du Lac (County)	10.1	10.2	9.9	-1.0	2.0
Green Bay (Brown County)	23.6	23.5	24.1	0.4	- 2.1
Janesville (City)	10.0	9.8	10.7	2.0	- 6.5
Janesville-Beloit (Rock County)	16.8	16.4	17.6	2.4	- 4.5
Kenosha (County)	13.2	12.9	10.9	2.3	21.1
La Crosse (County)	10.1	10.2	10.3	-1.0	- 1.9
Madison (Dane County)	22.0	21.6	20.6	1.9	6.8
Manitowoc (County)	10.8	10.8	12.0	0.0	-10.0
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	165.7	166.2	166.9	-0.3	- 0.7
Racine (County)	23.9	24.1	24.4	-1.7	- 2.9
Sheboygan (County)	18.9	19.1	18.5	-1.0	2.2
Wausau (Marathon County)	12.6	12.5	11.8	0.8	6.8

HOW INDICATORS DISCLOSE BUSINESS CONDITIONS

by Joseph Tumpach, Jr.

"Wolf, wolf!" cries the economist. But few seriously listen because so many have been lulled by so long of an economic expansion. Indeed, our current business activity level has been increasing...not always strongly spurting, but increasing... for nearly four years. And in that time, every now and then, an economic observer voiced a warning of pending recession. Up to now, our disregarding those sporadic warnings has been justified. Yet, what signals among the welter of economic activity prompted those warnings?

Business activity does vary in a cycle of expansion and contraction because our largely capitalistic economy is governed by supply and demand forces, which vary in time. But business activity throughout the economy is not synchronized. Some types of activity increase or decrease before the majority and, thus, can be singled-out as leading indicators of the general economic activity level.

Have the economic indicators that economists rely on to predict the expansion and contraction phases of the business cycle become passe? Furthermore, have government anti-recession policies and scientific business management techniques rendered the business cycle a thing of the past?

Limited production capacity, it is generally agreed, is the constraining factor to economic growth, the factor that precipitates recession. An accelerating engine that needs more fuel, a growing economy needs more and more production capacity; needs more machinery, more factories, more labor. And, like an engine which has a built-in limit on fuel consumed, the amount of production facilities limit the economy from boundless expansion.

True, new production equipment can be built, but that takes time and is costly. Surveys of capital expenditure plans, in fact, are good indicators of confidence or reluctance and of probable economic expansion or recession. Managers need assurances of continued business expansion before expending time and money in new equipment.

The other factor of production, labor, is much more variable. Employers can hire more workers, add second and third shifts in a factory, and schedule overtime. But even the labor input of production has limits. Workers with needed skills simply may not be available. Training new workers is time-consuming and expensive.

Labor usage, nevertheless, does vary, and thus, provides an indicator of economic activity. The advantage of labor utilization as economic indicators is the timeliness and comprehensiveness of labor statistics. Employment levels are available monthly or quarterly for all major industries and for the nation, states and some local areas. The labor input equation, however, involves both the number employed and the time spent on the job. A workforce averaging forty-one hours per week produces more than a workforce of the same size that is averaging thirty-nine hours per week. And, an overtime average of four hours per week signals a more vibrant economy than an overtime average of two hours per week.

Thorough statistics on the average production workweek in manufacturing industries are gathered and published through a joint state and federal employer survey program. Average weekly earnings and employment levels for production workers is collected on the same survey and published. As an indicator of economic health in manufacturing, all three--the length of the workweek, average earnings, and employment levels--should be viewed in conjunction and interpreted.

With the onset of a recession, for example, the average workweek may grow longer and average employee earnings may increase while employment levels decline. That is because employers who need to trim their labor force will normally layoff less experienced and, thus, less well paid workers and, at the same time, will slightly increase work hours to adjust for a smaller core of workers. Conversely, during economic recovery, the average workweek may get shorter as employers feel confident enough to rehire or to hire new workers, which decreases the average earnings but, of course, increases employment levels. The best economic conditions result in growth of all three--the average workweek, average earnings, and the employment levels.

Our most complete statistics are garnered and kept for manufacturing industries. But, how relevant are those figures in an economy which grows in the service, trade, and other sectors? True, service and trade industry growth have outpaced manufacturing, at least in employment growth. However, dissimilar business activities within a complex economy are chained together. The service and trade economies are dependent on manufacturing, just as manufacturing is dependent on them. Much of the service sector employment growth, for example, has come in the business service sector, a sector that provides not personal services, but services such as accounting, engineering design, and business planning to other business, including manufacturing. Service industry companies have absorbed many operations formerly performed in manufacturing companies. Thus, indicators of labor utilization within manufacturing can signal a healthy economy even though manufacturing employment is not rapidly growing.

Not all types of industry behave the same at any particular point of the business cycle. Some industries, repair services for instance, prosper during a recessionary phase while other industries are in a slump. A recession occurs when the business activity of the majority of industries declines, so, it is the aggregate or net level of business that determines the economic cycle phase.

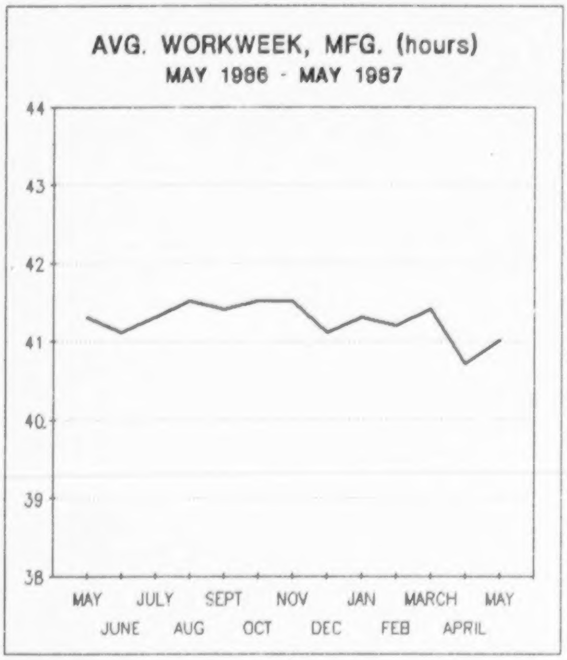
Some industries enter a recession later than others. Generally, those businesses whose product requires lengthy planning, design, engineering and production time will lag the general economic activity level. Recessionary impact on them is delayed. That is because those industries' business is characterized by long-term orders for their products. Conversely, the trade industry economy can fluctuate immediately with consumer demand. Indeed, some observers suggest that a shift of our industry mix away from a manufacturing dominated economy to a more heterogeneous industry mix will lessen the impact of the business cycle. That, along with anti-recession measures such as unemployment compensation, federal monetary and fiscal responsibility, and equitable international trade agreements, they claim, could ensure constant economic expansion.

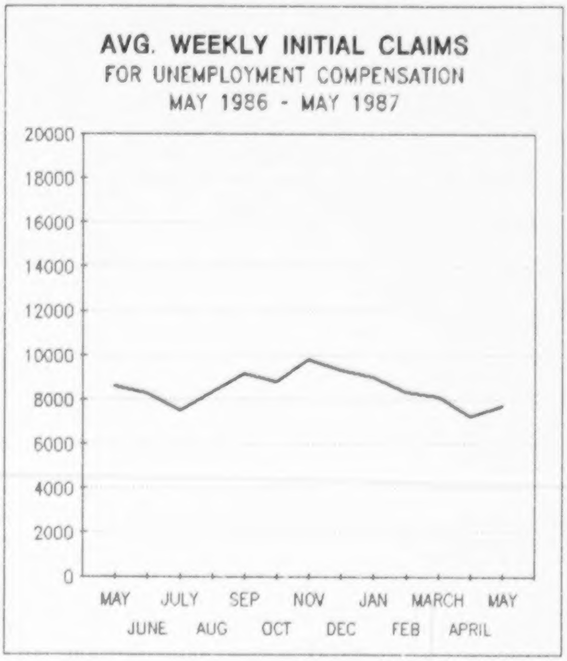
Others proclaim that recessions are precipitated by man-made economic cataclysms, such as oil embargoes which cannot be anticipated or controlled. There is probably an element of truth in both arguments. But we still haven't confirmed the effect of anti-cyclical policies or of large-scale economic shifts on business cycle timing or on the severity of recessions. Both consumers and business leaders adjust their economic activity to economic conditions.

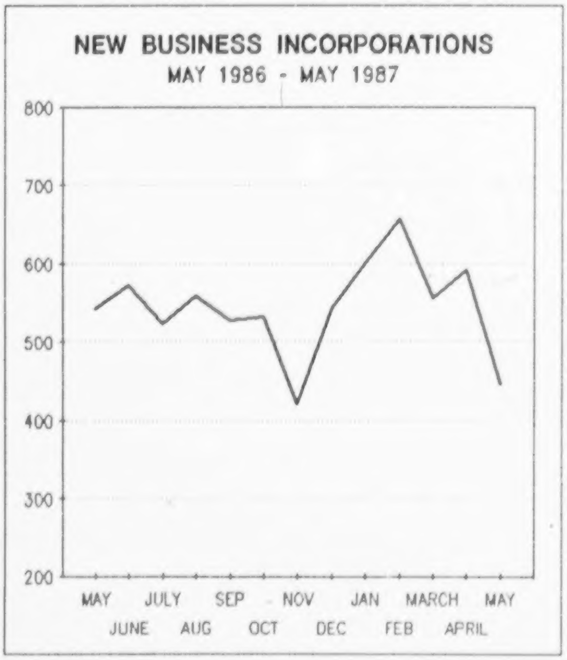
We do know that consumers drive about two-thirds of our economy, that two-thirds of our business activity is directed at selling a final product or service directly to consumers. Variance in consumer activity ripples throughout the economy. We have measures of personal income as indicators of consumption ability throughout the state; we have measures of nationwide consumer debt burdens and measures of personal savings rates. And, even with the trend to multiple-worker families, unemployment does change consumption patterns. The changing composition of the labor force may soften the impact of recession, but does not stop a recession. Recessions and recoveries begin or are forestalled at the smallest unit of economic activity--the consumer.

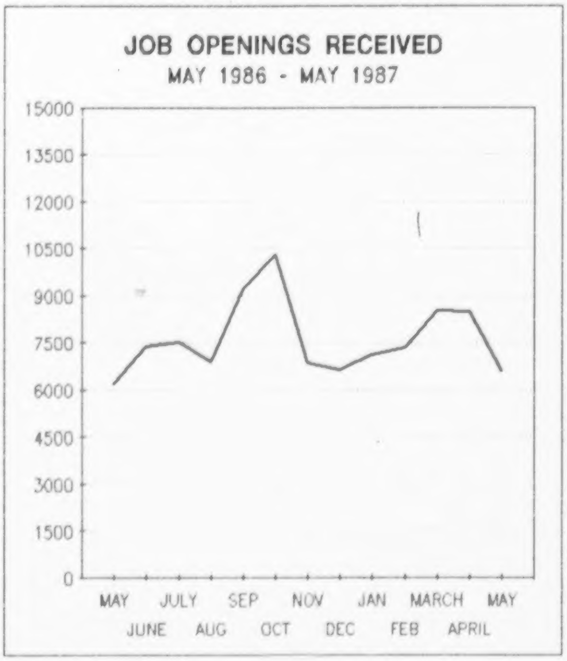
What is the value of state, or even local, economic indicators if our economic activity is so intertwined, if we are becoming global traders, if state and local economics mirror national economic conditions? There are local, state, and even regional differences in economic activity. States along the east and west coasts, for example, remarkably outperformed middle-America in recovering from our last recession. Population and service-industry employment figures denote the cause of the coastal success... their industry is more oriented toward service industries which thrive in more populated regions. Thus, state and local indicators, which can consist of merely population and employment data, enables economists to keep tabs on such state and local growth differences. ▩

CYCLICAL INDICATORS

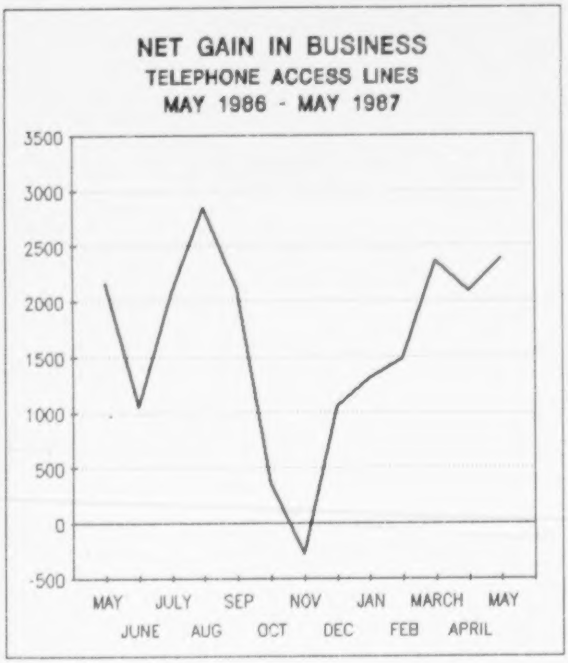


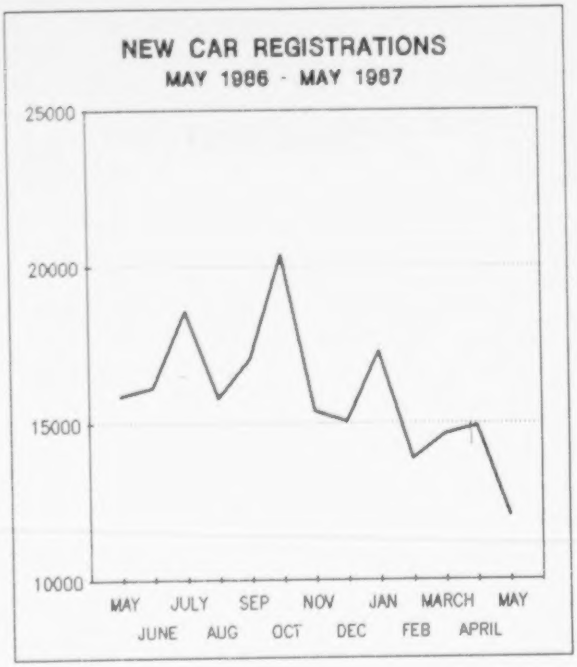


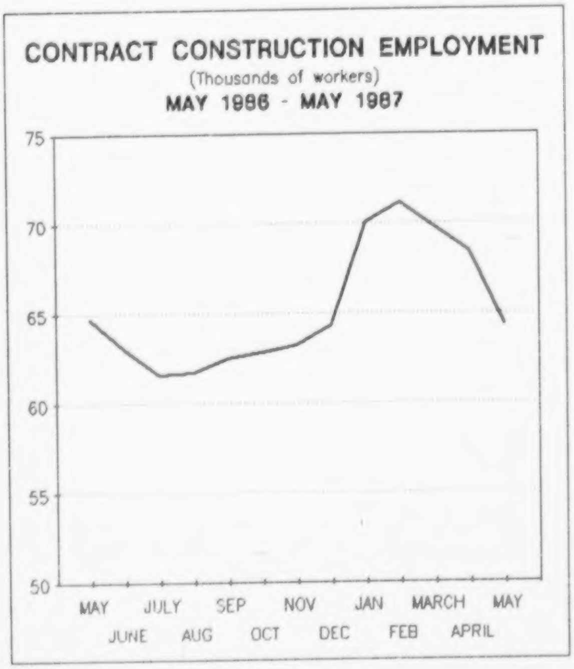


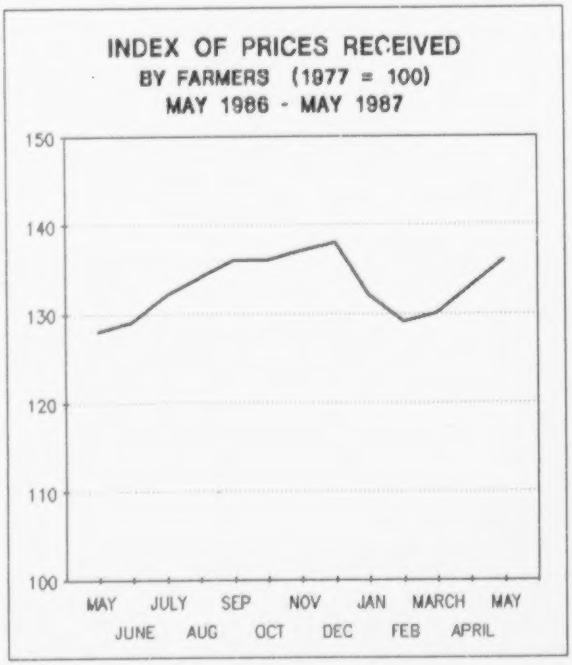


CYCLICAL INDICATORS


NET GAIN IN BUSINESS TELEPHONE ACCESS LINES
MAY 1986 - MAY 1987


NEW CAR REGISTRATIONS
MAY 1986 - MAY 1987


CONTRACT CONSTRUCTION EMPLOYMENT
(Thousands of workers)
MAY 1986 - MAY 1987


INDEX OF PRICES RECEIVED BY FARMERS (1977 = 100)
MAY 1986 - MAY 1987

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WISCONSIN ECONOMIC INDICATORS

JULY 1987

197
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DEPARTMENT OF
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WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or' coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

COVER PHOTO: Courtesy of Wisconsin Division of Tourism Development

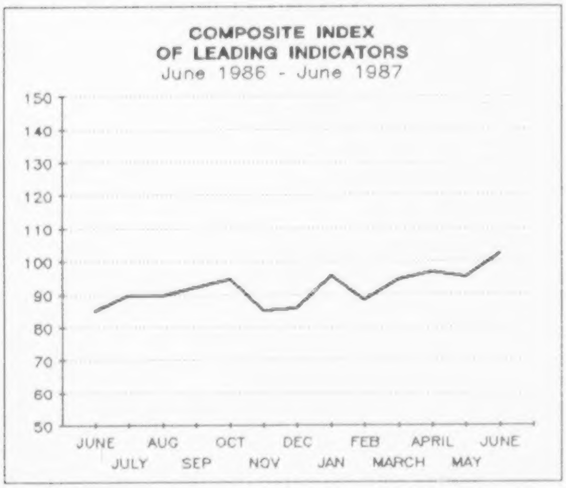
WISCONSIN ECONOMIC INDICATORS

SUMMARY FOR JUNE

COMPOSITE INDEX

The Composite Index of Wisconsin's leading economic indicators increased sharply in June, reaching 102.3 points. This June is the first month since April of last year that the index surpassed the 100 point base.

Most of this month's leading indicators showed positive signals for the economy. The single exception is the average weekly initial claims count, which increased in excess of the normal seasonal claims growth for June. More than offsetting the claims increase is a well-above-normal increase in the number of job openings received by public Job Service offices throughout the state.



LEADING INDICATORS

The average workweek in Wisconsin's manufacturing industries lengthened to 41.4 hours in June, a two-tenths of an hour increase. Some increase is normal, but this month's growth exceeds the usual seasonal trend a bit.

The average workweek was boosted by a large increase of overtime hours in June. Production workers averaged 3.7 hours of overtime per week, up from a 3.4 hour average one month earlier.

Had the overtime average followed the normal seasonal trend, the weekly average would have amounted to 3.5 hours. And that would have translated to a flat pattern in the total average workweek. As it is, not only have production hours increased but the total employment level in manufacturing grew by over thirteen thousand workers.

The average weekly initial claims, representing newly laid off workers throughout the state, increased by nearly seven hundred in June. That's an increase of nearly twelve percent. Yet, the average weekly claims in June is the second lowest level this year and is lower than the level one year ago.

Of significance is that the total initial claims for June outnumbered the increase of unemployment by a multiple of five and a half to one. That indicates a large amount of labor turnover and instability. Total unemployment increased by over five thousand, primarily due to labor force growth.

The total number of job openings received by state Job Service offices grew by over 13 hundred, well above the normal June trend.

New business incorporations, the net gain in business telephone access lines, and building plans examined all had gains surpassing normal seasonal patterns.

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
LEADING INDICATORS								
L1 COMPOSITE INDEX OF LEADING INDICATORS								
Seasonally Adjusted	INDEX	102.3	Jun	95.2	85.0	7.5	20.4	93.0
L2 AVG. WORK WEEK, MFG.								
Unadjusted	HOURS	41.4	Jun	41.2	41.0	0.5	1.0	41.4
Seasonally Adjusted		41.4		41.3	41.0	0.2	1.0	
L3 AVG. OVERTIME HOURS, MFG.								
Unadjusted	HOURS	3.7	Jun	3.4	3.4	8.8	8.8	3.6
Seasonally Adjusted		3.8		3.6	3.5	5.6	8.6	
L4 AVG. WEEKLY INITIAL CLAIMS								
Unadjusted	NUMBER	6,615	Jun	5,921	6,671	11.7	- 0.8	8,802
Seasonally Adjusted		8,197		7,700	8,264	6.5	- 0.8	
L5 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	8,558	Jun	7,203	7,776	18.8	10.1	7,743
Seasonally Adjusted		8,081		6,584	7,342	22.7	10.1	
L6 NEW BUSINESS INCORPORATIONS								
Unadjusted	NUMBER	523	Jun	491	619	6.5	15.5	539
Seasonally Adjusted		483		446	572	8.3	15.6	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES								
Unadjusted	NUMBER	2,431	Jun	2,378	1,043	2.2	133.1	1,276
Seasonally Adjusted		2,060		1,908	1,253	8.0	64.4	
L8 BUILDING PLANS EXAMINED								
Unadjusted	NUMBER	763	Jun	613	511	24.5	49.3	560
Seasonally Adjusted		681		565	456	20.5	49.3	
ROUGHLY COINCIDING INDICATORS								
C1 HELP-WANTED INDEX (MILW.)								
Seasonally Adjusted	INDEX	66	Mar	69	57	- 4.3	15.8	60
C2 UNEMPLOYMENT RATE, TOTAL								
Unadjusted	PERCENT	5.5	Jun	5.4	6.6	-	-	7.0
Seasonally Adjusted		5.9		5.7	7.0	-	-	
C3 NATURAL GAS SALES								
Unadjusted	MIL THERMS	89.9	May	151.0	132.1	-40.5	-31.9	214.6
Seasonally Adjusted		137.7		162.0	202.2	-15.0	-31.9	
C4 NEW CAR REGISTRATIONS								
Unadjusted	NUMBER	15,405	Jun	13,342	18,822	15.5	-18.2	16,947
Seasonally Adjusted		13,169		12,031	16,089	9.5	-18.1	
C5 ELECTRIC POWER SALES								
Unadjusted	MIL. KWH	2,042.8	May	1,925.6	1,912.5	6.1	6.8	1,946.0
Seasonally Adjusted		2,101.6		2,044.2	1,968.1	2.8	6.8	
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL. DOL	119.0	Jun	224.1	194.2	-46.9	-38.7	171.0
Seasonally Adjusted		111.5		206.7	182.0	-46.1	-38.7	

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
C7 MANUFACTURING EMPL.							
Unadjusted	THOUS.	526.6 Jun	513.5	520.1	2.6	1.2	513.0
Seasonally Adjusted		520.4	517.6	513.7	0.5	1.3	
C8 AVG. WEEKLY EARNINGS, MFG.							
Unadjusted	DOLLARS	433.87 Jun	436.31	421.89	- 0.6	2.8	427.38
Seasonally Adjusted		434.30	437.18	422.26	- 0.7	2.9	
C9 CASH RECEIPTS FROM FARM MKTG.							
Unadjusted	MIL. DOL.	370.6 Mar	331.3	380.1	11.9	- 2.5	416.8
Seasonally Adjusted		386.0	363.7	395.8	6.1	- 2.5	
C10 CONTRACT CONSTRUCTION EMPL.							
Unadjusted	THOUS.	68.2 Jun	65.9	69.2	3.5	- 1.4	64.0
Seasonally Adjusted		62.1	64.2	63.0	- 3.3	- 1.4	
OTHER KEY INDICATORS							
X1 BIRTH REGISTRATIONS							
Unadjusted	NUMBER	6,749 Jun	5,505	6,252	22.6	7.9	6,033
Seasonally Adjusted		6,845	5,163	6,340			
X2 DEATH REGISTRATIONS							
Unadjusted	NUMBER	3,492 Jun	3,218	3,477	8.5	0.4	3,514
Seasonally Adjusted		3,695	3,177	3,677	16.3	0.5	
X3 NATURAL NET GAIN POPULATION							
Unadjusted	NUMBER	3,257 Jun	2,286	2,775	42.5	17.4	2,519
Seasonally Adjusted		3,190	1,988	2,718	60.5	17.4	
X4 MARRIAGE REGISTRATIONS							
Unadjusted	NUMBER	5,307 Jun	3,372	5,325	57.4	- 0.3	3,207
Seasonally Adjusted		3,854	2,902	3,867	32.8	- 0.3	
X5 CONSUMER PRICE INDEX (MILW.)							
Unadjusted	INDEX	330.7 Nov 1986	Sept 332.9	333.9	- 0.7	- 1.0	331.7
X6 PRICES RECEIVED BY FARMERS							
Unadjusted	INDEX	135 Jun	134	127	0.7	6.3	131
Seasonally Adjusted		137	136	129	0.7	6.2	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES							
Unadjusted	NUMBER	98 Jun	-2,046	-3008	104.8	103.3	1,363
Seasonally Adjusted		1,566	1,544	871	1.4	79.8	
X8 LABOR DISPUTES, NO. OF WORKERS							
Unadjusted	NUMBER	392 Jun	24	1,895	1,533.3	-79.3	769
Seasonally Adjusted		408	55	1,972	641.8	-79.3	
X9 UNEMPL. COMPENSATION EXHAUSTEES	NUMBER						
Unadjusted		20,530 Jun	21,271	29,015	- 3.5	-29.2	26,223
Seasonally Adjusted		18,664	18,807	26,387	- 0.8	-29.3	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES JUNE	(In Thousands)			Pct. Chg.	
	Latest Month *	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2530.8	2480.0	2441.4	2.0	3.7
Employment (Inc. Labor Disputes)	2391.1	2345.7	2280.7	1.9	4.8
Unemployment	139.7	134.4	160.8	3.9	-13.1
Unemployment Rate	5.5	5.4	6.6	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2472.5	2467.7	2389.1	0.3	3.6
Employment (Inc. Labor Disputes)	2328.2	2327.1	2220.7	0.0	4.8
Unemployment	146.3	140.6	168.4	4.1	-13.1
Unemployment Rate	5.9	5.7	7.0	-	-

WISCONSIN EMPLOYMENT ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2089.3	2058.5	2042.2	1.5	2.3
Unadjusted					
Manufacturing	526.2	513.5	520.0	2.5	1.2
Mining	2.4	2.3	2.3	4.3	4.3
Contract Construction	68.2	65.9	68.7	3.5	- 0.7
Transportation and Public Utilities	94.5	94.1	93.2	0.4	1.4
Elec., Gas and Sanitary Services	18.1	17.6	17.7	2.8	2.3
Wholesale Trade	103.7	102.1	101.4	1.6	2.3
Retail Trade	396.2	388.9	382.9	1.9	3.5
General Merchandise	49.1	48.7	47.9	0.8	2.5
Finance, Insurance and Real Estate	112.7	111.3	108.8	1.3	3.6
Banking	28.6	28.2	28.0	1.4	2.1
Insurance	36.5	36.2	35.4	0.8	3.1
Service and Miscellaneous	452.3	446.5	436.8	1.3	3.5
Hospitals	68.9	68.1	67.2	1.2	2.5
Private Education	22.5	23.9	22.6	-5.9	- 0.4
Government	333.1	333.1	328.2	-0.2	1.5
State Government	81.7	86.4	79.9	-5.4	2.3
Local Government	222.3	218.6	219.4	1.7	1.3

UNITED STATES LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	119,517	119,993	118,005	-0.4	1.3
Employment	112,257	112,447	109,613	-0.2	2.4
Unemployment	7,260	7,546	8,392	-3.8	-13.5
Unemployment Rate	6.1	6.3	7.1	-	-

* Latest month data are preliminary

MANUFACTURING EMPLOYMENT *(Unadjusted)* JUNE	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	526.2	513.5	520.0
All Manufacturing (Excluding Canning)	512.9	504.9	507.2
Durable Goods	316.4	312.8	314.1
Lumber and Wood Prod., (Except Furniture)	26.1	24.9	23.8
Sawmills and Planning Mills	3.2	3.2	3.2
Millwork, Veneer, Plywood & Prefab. Wood Prod.	13.8	12.8	11.9
Furniture and Fixtures	11.2	11.1	10.4
Household Furniture	4.7	4.7	4.4
Stone, Clay and Glass Products	9.5	9.1	8.4
Concrete, Gypsum and Plaster Products	5.0	4.7	4.1
Primary Metal Industries	18.6	18.4	19.3
Iron and Steel Foundries	9.8	9.5	9.9
Fabricated Metal Products	51.2	50.5	52.3
Heating Equipment (Except Electrical) & Plumbing Fixtures	7.0	6.9	6.6
Fabricated Structural Metal Products	12.2	12.0	12.7
Metal Stampings	10.3	10.2	10.5
Machinery (Except Electrical)	99.9	99.1	98.8
Engines and Turbines	19.4	19.9	18.1
Farm Machinery and Equipment	12.1	11.9	12.0
Const., Min. & Material Handling Mach. & Equip.	11.3	11.2	11.4
Metalworking Machinery and Equipment	10.8	10.7	11.0
Special Industry Machinery (Except Metalworking)	11.9	11.7	12.2
General Industrial Machinery and Equipment	14.0	13.7	13.8
Service Industry Machines	6.9	6.8	7.2
Electrical Machinery, Equipment and Supplies	47.3	47.2	48.6
Electrical Industrial Apparatus	15.3	15.2	16.2
Household Appliances	6.3	6.2	6.3
Transportation Equipment	32.1	32.3	31.5
Motor Vehicles and Equipment	25.2	25.2	23.9
Instruments and Related Products	10.8	10.6	11.5
Miscellaneous Manufacturing	9.6	9.5	9.4
Nondurable Goods	209.8	200.7	205.9
Food and Kindred Products	64.8	58.5	63.7
Meat Products	13.7	13.2	14.3
Dairy Products	18.3	17.7	17.7
Canning and Preserving	13.3	8.6	12.8
Bakery Products	5.2	5.1	4.5
Beverage Industries	7.5	7.2	7.5
Textile Mill Products	4.0	3.7	4.0
Knitting Mills	3.4	3.2	3.5
Apparel and Other Finished Products	7.1	6.8	6.5
Paper and Allied Products	50.6	49.5	50.5
Pulp and Paper Mills	31.6	30.8	31.7
Converted Paper and Paperboard Products	10.5	10.2	10.4
Paperboard Containers and Boxes	7.2	7.2	7.1
Printing, Publishing and Allied Industries	41.0	40.2	39.9
Newspapers	12.7	12.4	12.2
Commercial Printing	17.5	17.0	17.4
Chemicals and Allied Products	11.3	11.2	10.8
Rubber and Misc. Plastics Products	24.2	24.0	23.1
Miscellaneous Plastics Products	20.0	19.8	18.7
Leather and Leather Products	6.7	6.6	7.1
Leather Tanning and Finishing	1.7	1.7	1.7
Footwear (Except Rubber)	3.2	3.1	3.6
Other Nondurable Goods	–	–	–

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* JUNE	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$434	$436	$422	41.4	41.2	41.0
All Manufacturing (Excl. Canning)	439	438	428	41.6	41.2	41.3
Durable Goods	445	444	430	41.9	41.6	41.2
Lumber/Wood Prod. (Exc. Furn.)	324	332	320	41.4	41.9	40.0
Furniture and Fixtures	338	347	317	42.1	43.0	40.8
Stone, Clay and Glass Products	426	431	413	44.9	45.4	43.5
Primary Metal Industries	445	432	421	43.8	42.2	42.4
Iron and Steel Foundries	453	430	422	44.8	42.2	42.5
Fabricated Metal Products	419	414	419	40.8	40.2	40.7
Fab. Structural Metal Prod.	439	442	428	44.3	44.2	41.8
Metal Stampings	448	443	437	39.9	38.9	39.9
Machinery (Except Electrical)	488	488	480	42.2	42.0	42.0
Engines and Turbines	526	537	516	40.8	41.4	40.9
Farm Machinery and Equip.	550	530	535	43.1	41.9	42.2
Const. and Related Mach.	454	455	460	42.2	41.9	41.9
Metalworking Mach. and Equip.	520	514	526	42.9	42.2	43.8
Spec. Ind. Mach. (Exc. Metal) .	493	491	490	42.4	42.2	41.7
Gen. Industrial Mach. and Equip.	489	482	510	41.9	41.2	42.9
Electrical Mach., Equip. and Supp.	417	413	407	41.3	40.5	40.7
Electrical Industrial Apparatus	461	454	426	41.8	41.2	39.8
Transportation Equipment	601	602	535	42.5	42.7	40.6
Instruments and Related Prod.	375	367	371	41.6	40.6	41.4
Nondurable Goods	416	423	410	40.5	40.6	40.7
Food and Kindred Products	368	394	366	38.5	39.9	38.7
Meat Products	362	360	354	40.9	39.8	40.2
Dairy Products	401	401	400	40.6	40.5	40.8
Textile Mill Products	301	299	317	41.9	39.6	41.7
Apparel and Other Fin. Prod.	248	243	248	39.4	38.0	40.7
Paper and Allied Products	563	556	546	44.8	44.3	45.2
Pulp and Paper Mills	610	609	595	45.7	45.7	46.3
Printing, Pub. and Allied Prod.	423	426	425	38.0	37.6	38.8
Chemicals and Allied Products	474	477	448	41.9	41.7	39.4
Rubber and Misc. Plastics Prod.	337	331	330	40.3	39.9	40.1
Leather and Leather Products.	267	263	266	39.5	38.5	39.1

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* JUNE	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$10.48	$10.59	$10.29	$10.02	$10.13	$ 9.93
All Manufacturing (Excl. Canning)	10.55	10.62	10.36	10.10	10.17	10.01
Durable Goods	10.61	10.68	10.43	10.21	10.28	10.16
Lumber/Wood Prod. (Exc. Furn.)	7.82	7.83	7.99	7.77	7.88	–
Furniture and Fixtures	8.03	8.08	7.77	7.78	7.72	7.58
Stone, Clay and Glass Products	9.48	9.50	9.49	9.10	9.13	–
Primary Metal Industries	10.15	10.24	9.94	9.69	9.81	9.56
Iron and Steel Foundries	10.12	10.20	9.92	9.64	9.73	9.60
Fabricated Metal Products	10.26	10.29	10.30	9.85	9.90	9.92
Fab. Structural Metal Prod.	9.90	10.00	10.25	9.39	9.48	9.88
Metal Stampings	11.23	11.38	10.96	10.85	11.05	10.63
Machinery (Except Electrical)	11.56	11.61	11.42	11.13	11.15	11.03
Engines and Turbines	12.89	12.98	12.61	12.30	12.31	12.19
Farm Machinery and Equip.	12.75	12.66	12.67	12.30	12.16	12.34
Const. and Related Mach.	10.75	10.86	10.98	10.44	10.53	10.65
Metalworking Mach. and Equip.	12.12	12.18	12.02	11.78	11.81	11.54
Spec. Ind. Mach. (Exc. Metal) .	11.63	11.64	11.75	11.10	11.13	11.29
Gen. Industrial Mach. and Equip.	11.68	11.69	11.89	11.25	11.33	11.21
Electrical Mach., Equip. and Supp.	10.09	10.20	10.01	9.72	9.86	9.71
Electrical Industrial Apparatus	11.02	11.03	10.70	10.79	10.85	10.44
Transportation Equipment	14.14	14.09	13.18	13.43	13.39	12.78
Instruments and Related Prod.	9.01	9.05	8.96	9.73	8.82	8.76
Nondurable Goods	10.28	10.43	10.07	9.72	9.88	9.58
Food and Kindred Products	9.55	9.88	9.46	9.03	9.37	8.96
Meat Products	8.85	9.05	8.81	8.45	8.66	8.48
Dairy Products	9.87	9.89	9.80	9.34	9.39	9.33
Textile Mill Products	7.18	7.55	7.61	6.91	7.29	7.40
Apparel and Other Fin. Prod.	6.29	6.40	6.10	6.14	6.28	5.95
Paper and Allied Products	12.56	12.56	12.08	11.82	11.82	11.55
Pulp and Paper Mills	13.35	13.32	12.85	12.49	12.46	12.32
Printing, Pub. and Allied Prod.	11.14	11.34	10.95	–	–	–
Chemicals and Allied Products	11.32	11.44	11.38	10.96	11.12	11.07
Rubber and Misc. Plastics Prod.	8.37	8.30	8.24	8.04	7.98	7.93
Leather and Leather Products.	6.76	6.84	6.81	6.49	6.57	6.49

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* JUNE	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$406	$403	$396	41.1	40.9	40.8	9.88	9.86	9.71	-	-
Wisconsin	434	436	422	41.4	41.2	41.0	10.48	10.59	10.29	10.02	10.13
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	461	464	429	42.7	42.6	42.2	10.79	10.90	10.16	10.26	10.35
Beloit (City)	398	399	372	38.8	38.7	38.3	10.27	10.32	9.72	-	-
Eau Claire (Eau Claire-Chippewa)	451	430	420	41.8	40.3	40.8	10.79	10.68	10.29	10.10	10.07
Fond du Lac (County)	372	388	397	39.1	40.0	41.8	9.52	9.69	9.49	9.14	9.30
Green Bay (Brown County)	465	475	465	41.2	41.6	41.7	11.28	11.42	11.16	10.45	10.59
Janesville (City)	537	536	485	39.0	38.5	37.5	13.76	13.92	12.93	13.57	13.76
Janesville-Beloit (Rock County)	473	475	445	38.8	38.4	38.1	12.18	12.36	11.69	11.91	12.09
Kenosha (County)	567	552	457	44.2	43.0	40.9	12.83	12.84	11.17	11.73	11.73
La Crosse (County)	367	369	369	39.4	39.5	39.0	9.31	9.34	9.45	9.03	9.01
Madison (Dane County)	403	402	392	40.9	40.1	40.1	9.85	10.02	9.77	9.43	9.64
Manitowoc (County)	404	394	392	40.4	39.1	41.2	9.99	10.08	9.51	9.64	9.79
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	477	479	472	41.2	41.1	40.9	11.58	11.65	11.53	11.08	11.14
Racine (County)	453	449	447	40.6	40.0	41.2	11.16	11.23	10.86	10.93	10.98
Sheboygan (County)	396	401	373	41.7	41.0	39.7	9.50	9.77	9.39	9.01	9.32
Wausau (Marathon County)	429	419	404	43.3	42.5	41.5	9.90	9.85	9.74	9.42	9.38

EMPLOYMENT, MFG. *(Unadjusted)* JUNE	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,151.0	18,991.0	19,081.0	0.8	0.4
Wisconsin	526.2	513.5	520.0	2.5	1.2
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	51.0	49.1	49.8	3.9	2.4
Beloit (City)	4.7	4.6	5.1	2.2	-7.8
Eau Claire (Eau Claire-Chippewa)	10.3	10.2	10.4	1.0	-1.0
Fond du Lac (County)	10.7	10.1	10.7	5.9	0.0
Green Bay (Brown County)	24.1	23.7	25.3	1.7	-4.7
Janesville (City)	10.2	9.9	10.8	3.0	-5.6
Janesville-Beloit (Rock County)	17.0	16.7	17.8	1.8	-4.5
Kenosha (County)	12.8	12.8	11.1	0.0	15.3
La Crosse (County)	10.1	10.1	10.3	0.0	-1.9
Madison (Dane County)	22.3	21.9	21.6	1.8	3.2
Manitowoc (County)	10.9	10.7	12.1	1.9	-9.9
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	166.3	165.5	169.2	0.5	-1.7
Racine (County)	23.9	23.8	24.6	0.4	-2.8
Sheboygan (County)	19.9	19.0	18.9	4.7	5.3
Wausau (Marathon County)	13.5	12.8	12.2	5.5	10.7

REBENCHMARKING: A STEP TOWARD ACCURACY

by Joseph Tumpach Jr.

A hypothetical conversation between a labor economist and a nuclear physicist turned to a comparison of their professions. "We physicists, chemists, and researchers in the physical sciences are so much more able to measure than you economists and social scientists. We can split a second of time into a thousand parts with quartz crystals, we can measure the mass of atoms and molecules with spectrometers, and we can slice matter to an accuracy of microscopic dimensions with a lazer beam. You 'people' scientists rely on surveys that lose a thousand people just because of sampling errors and because of the nature of statistics."

The physicist was right. Data such as the number of employed and unemployed workers are estimates derived from surveys. A complete monthly count of the employed and unemployed would supply an accurate picture of the labor situation, but such complete coverage would be impossible. Even if labor market analysts had the resources, both people and money, we could not directly count each worker and employer...we simply do not have enough time each month to query each employee and employer for an enumeration. The national labor force exceeds 100 million workers and Wisconsin's labor pool surpasses 2 million. The number of employing establishments in the country is more than 5 million; and in the state, nearly 100 thousand.

Wisconsin's labor force data depend on a combination of survey data and an estimating method that depends heavily on unemployment compensation claims. As with all statistical methods, there are margins of error and other factors which introduce errors into the estimates.

If analysts rely on surveys, which contain a built-in margin of error, just how good are the data derived from a sample of the population? Could the error build over time; couldn't our employment and unemployment estimates get wider and wider off track with each succeeding month?

"Rebenchmarking," counters our fictional economist. "We simply put the estimates back on track once each year." Rebenchmarking is correcting past survey-derived estimates by using an actual count. Each monthly estimate for the past two years is adjusted so that the final month agrees with the complete count. Rebenchmarking is applied to total employment, to unemployment, and to employment within the various industries.

In the case of employment, the actual counts are administrative records, records required of employers by the unemployment compensation system. Each year, the national Bureau of Labor Statistics tallies the employment records of every state. Normally, new national benchmarks are determined for March of each year and include data for the most detailed industrial classification levels at which estimates were formerly made.

If we can rebenchmark once a year with actual records of employment, why can't we do it more often, say each quarter of the year, thereby keeping our estimates both as current and as accurate as possible? Because the time required to complete the benchmark process--from collection of the data to publication of the results --is usually about fifteen months. The employment reports that employers submit to state unemployment insurance agencies are used to determine the unemployment tax obligation of the employer and are required each quarter of the year. The employer's tax obligation, by statute, is based on his or her past year's employment record. Thus, a five quarter time lag exists. The most recent Wisconsin data will soon be available for the fourth quarter of 1986.

Most, but not all, workers are covered by the unemployment insurance system. In Wisconsin, about ninety percent of all workers are covered, thus, rebenchmarking data comes from the quarterly reports. The remaining workers, not covered, are accounted for in the rebenchmarking process. The largest group of noncovered workers are employed by various churches throughout the state. Wisconsin relies on information supplied by the churches in a past survey to determine their employment level. Students working under work-study programs are also noncovered employees. The bulk of those are university students. The state collects employment data on them from the universities. Railroad employment, also not covered by the unemployment compensation system, is factored in--data for interstate railroads are obtained from the Interstate Commerce Commission. One group which has also been included in the benchmark data is employees of sheltered workshops. Such employment does not amount to a lot compared to the total labor force, and sheltered workshop employees usually work only part-time.

The quarterly reports and employer surveys reveal no unemployment levels. The number of unemployed is estimated each month with a complex formula that relies on a household survey and on unemployment compensation claims filed by laid-off individuals. The formula, however, does contain an employment component, so each time employment is rebenchmarked, the unemployment numbers are revised.

Given the limitations of estimating employment from samples even other factors can introduce errors in the monthly employment and unemployment figures. It is difficult to include survey results from newly formed businesses in a timely manner. Adjustment factors for new-business entry are recalculated in the rebenchmarking process.

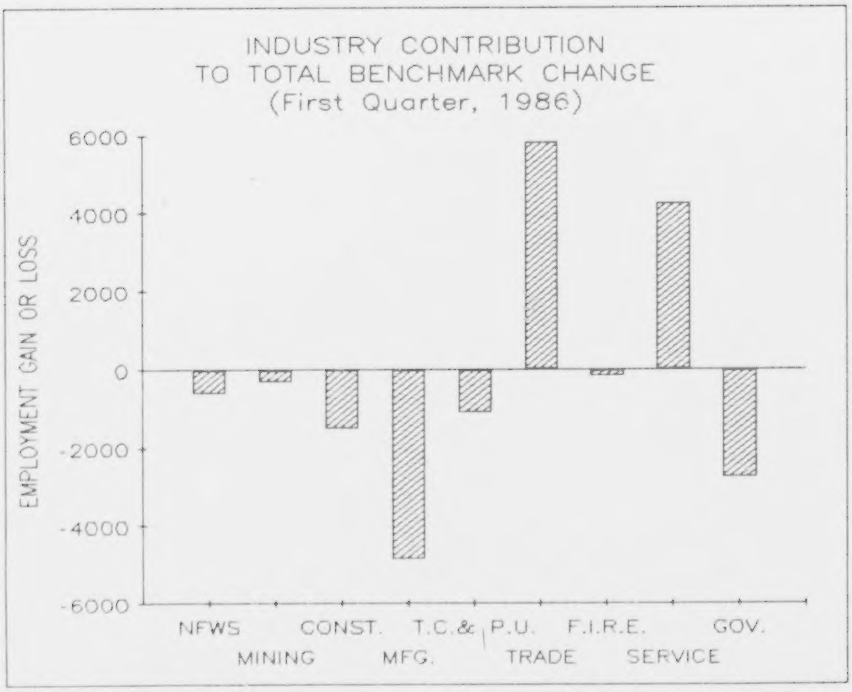
Estimates for various industries, particularly within manufacturing, can go awry because of changes of industry classification of employers. An establishment is classified according to the produce or service it produces. If, in a multi-product company, what was once a secondary product becomes a primary one, the establishment is reclassified. Employment, thus, may shift around among industries, causing a need for rebenchmarking.

Even with the limitations, the current employment statistics are the most accurate data possible using the present methods.

INDUSTRY CONTRIBUTION TO TOTAL BENCHMARK CHANGE

(Employment, First Quarter, 1986)

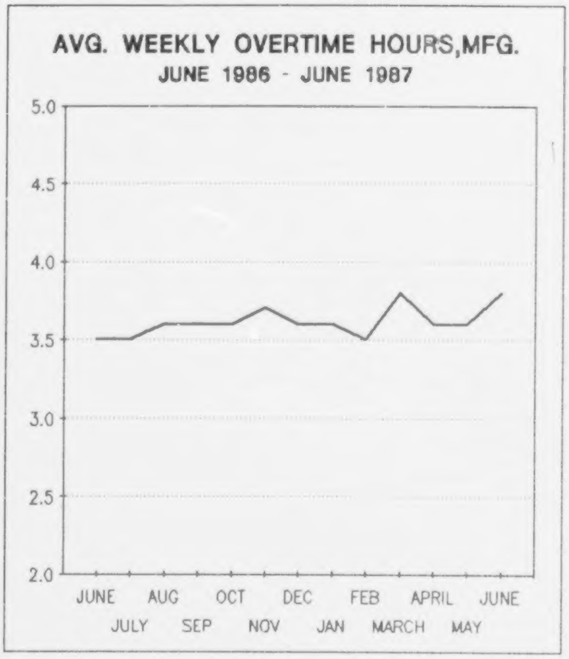
Industry	1985 BM	1986 BM	Change
Nonfarm Wage & Salary	1,959,838	1,959216	−622
Mining	1592	1273	−319
Construction	54,996	53,481	−1515
Mfg.	508,094	503,246	−4848
Transportation Communication & Public Utilities	92,696	91,598	−1098
Trade	450,413	456,257	5844
Finance Insurance and Real Estate	104,958	104,773	−185
Service	416,615	420,893	4278
Government	330,475	327,695	−2780

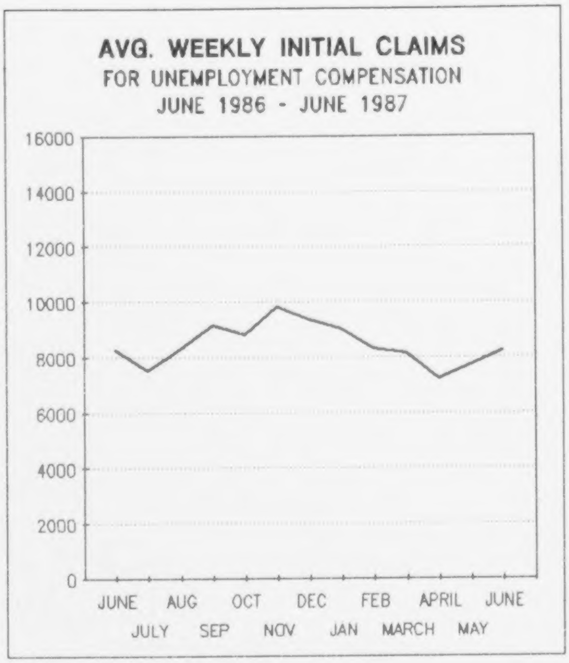

INDUSTRY CONTRIBUTION TO TOTAL BENCHMARK CHANGE (First Quarter, 1986)

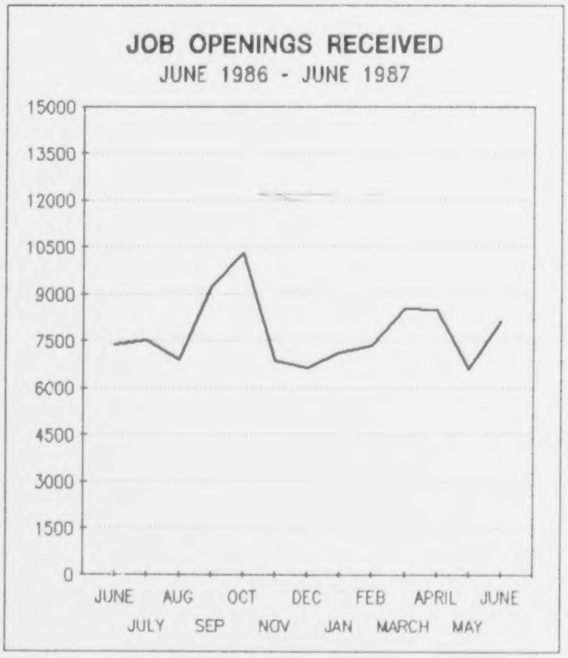
Section

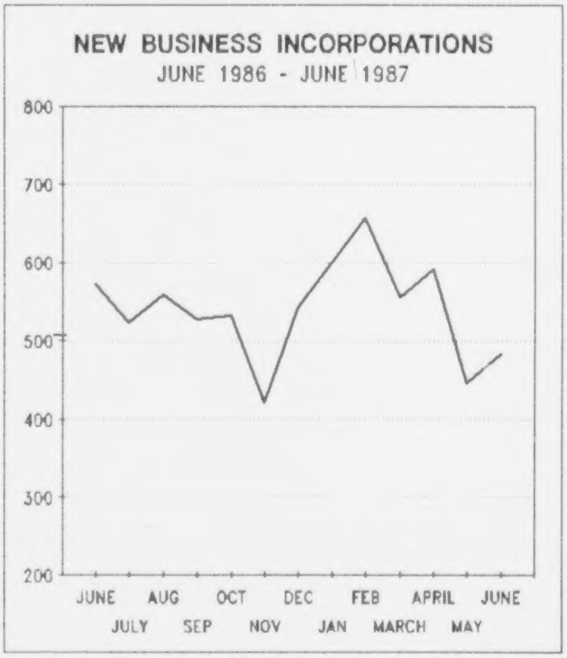
D

CYCLICAL INDICATORS


AVG. WEEKLY OVERTIME HOURS,MFG.
JUNE 1986 - JUNE 1987


AVG. WEEKLY INITIAL CLAIMS
FOR UNEMPLOYMENT COMPENSATION
JUNE 1986 - JUNE 1987

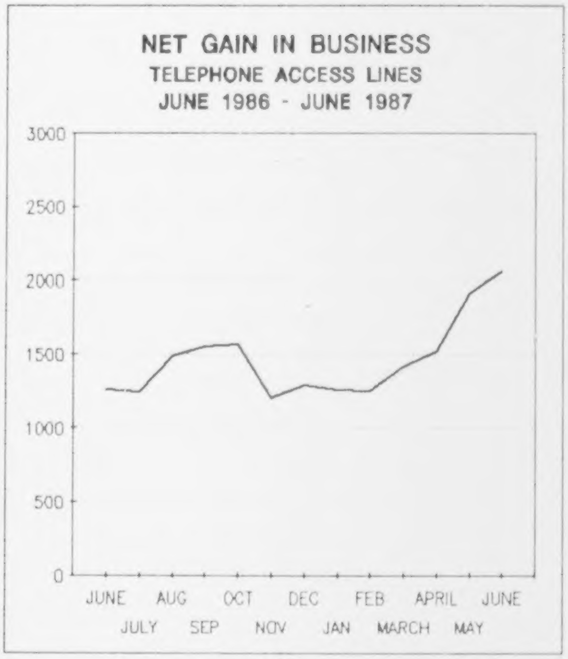

JOB OPENINGS RECEIVED
JUNE 1986 - JUNE 1987

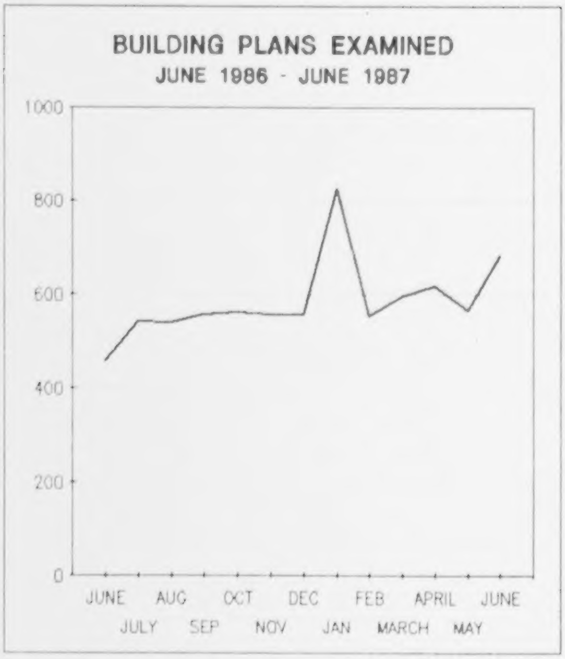

NEW BUSINESS INCORPORATIONS
JUNE 1986 - JUNE 1987

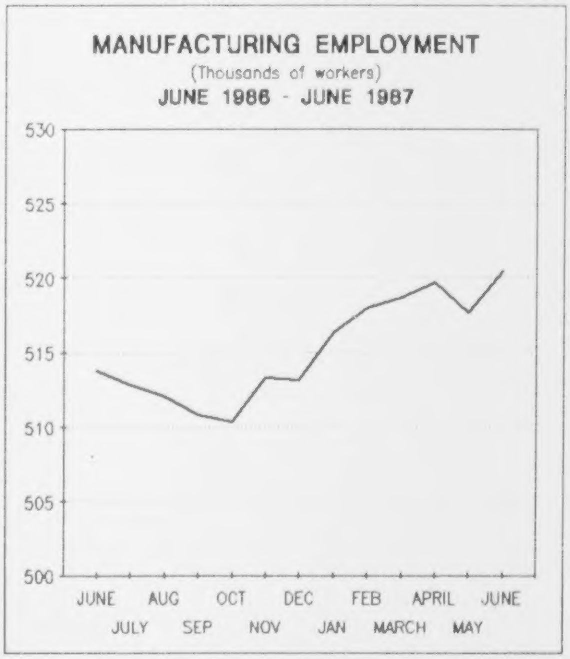
Section

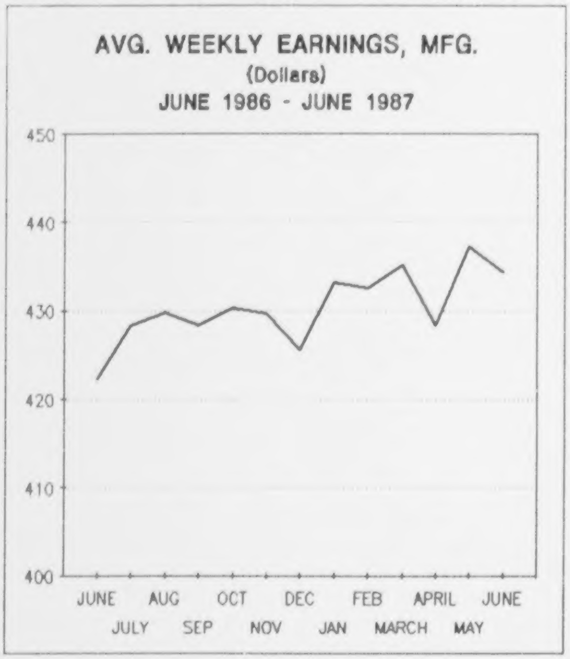
D

CYCLICAL INDICATORS


NET GAIN IN BUSINESS
TELEPHONE ACCESS LINES
JUNE 1986 - JUNE 1987


BUILDING PLANS EXAMINED
JUNE 1986 - JUNE 1987


MANUFACTURING EMPLOYMENT
(Thousands of workers)
JUNE 1986 - JUNE 1987


AVG. WEEKLY EARNINGS, MFG.
(Dollars)
JUNE 1986 - JUNE 1987

Department of Industry,
Labor and Human Relations

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WISCONSIN ECONOMIC INDICATORS

AUGUST 1987

DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing

COVER PHOTO: Courtesy of Wisconsin Division of Tourism Development

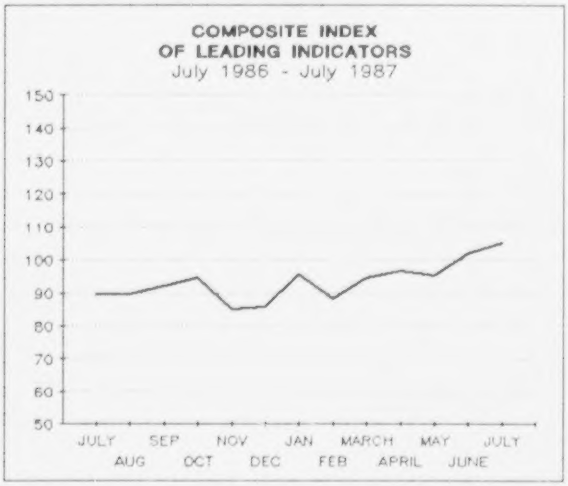
WISCONSIN ECONOMIC INDICATORS

SUMMARY FOR JULY

COMPOSITE INDEX

The Composite Index, Wisconsin's economic barometer composed of leading indicators, increased in July to 105.1 points. This month's level is the highest in over eight years, and the second consecutive month of an over-one-hundred figure.

The majority, but not all, of June's leading indicators showed positive economic trends. A small decrease in the average number of initial claims for unemployment compensation provided a large boost in the index. That is because the initial claims average would have increased by over a thousand if following the normal July seasonal pattern.


COMPOSITE INDEX
OF LEADING INDICATORS
July 1986 - July 1987

LEADING INDICATORS

During July, production workers in Wisconsin's manufacturing industries matched their month-earlier work time. The average weekly hours spent on the job amounted to 41.2 hours, the same as June's average. However, a decrease in the average of about three-tenths of an hour would have been normal for July, so an unchanged workweek is a positive trend.

Contributing to the stable workweek was an increase in overtime. July's overtime average usually decreases slightly. The steady workweek combined with a growth in manufacturing employment to raise the labor input in manufacturing to the highest level in nearly five years.

The average weekly initial claims for unemployment compensation decreased by 88 in July, a very slight decrease. What is unusual is a decrease in a month which normally has a large increase of claims. An increase in the average amounting to about eleven hundred would have fit the normal seasonal pattern for this July. However, while total employment declined by over five thousand, the number of unemployed and of those pursuing a job declined by twice that. Thus, the labor force shrank.

The total number of job openings received by state Job Service offices increased by 557 in July. The increase in calls for workers, while slower than seasonally normal, pushed the job-openings level to over nine thousand, the highest level in nine months.

New business incorporations increased slightly in July--by just 21 more than the month earlier. Incorporations, however, usually decrease this month. A decrease of about 30 would have been normal.

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
LEADING INDICATORS							
L1 COMPOSITE INDEX OF LEADING INDICATORS							
Seasonally Adjusted	INDEX	105.1 Jul	101.7	89.5	3.3	17.4	93.0
L2 AVG. WORK WEEK, MFG.							
Unadjusted	HOURS	41.2 Jul	41.2	41.0	0.0	0.5	41.4
Seasonally Adjusted		41.5	41.2	41.3	0.7	0.5	
L3 AVG. OVERTIME HOURS, MFG.							
Unadjusted	HOURS	3.7 Jul	3.6	3.4	2.8	8.8	3.6
Seasonally Adjusted		3.9	3.7	3.5	5.4	11.4	
L4 AVG. WEEKLY INITIAL CLAIMS							
Unadjusted	NUMBER	6527 Jul	6615	6988	- 1.3	- 6.6	8802
Seasonally Adjusted		7003	8197	7497	-14.6	- 6.6	
L5 TOTAL JOB OPENINGS REC.							
Unadjusted	NUMBER	9115 Jul	8558	9160	6.5	- 0.5	7743
Seasonally Adjusted		7465	8081	7501	- 7.6	- 0.5	
L6 NEW BUSINESS INCORPORATIONS							
Unadjusted	NUMBER	544 Jul	523	534	4.0	1.9	539
Seasonally Adjusted		532	483	522	10.1	1.9	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES							
Unadjusted	NUMBER	2413 Jul	2431	2071	- 0.7	16.5	1276
Seasonally Adjusted		2142	2060	1237	4.0	73.2	
L8 BUILDING PLANS EXAMINED							
Unadjusted	NUMBER	808 Jul	763	645	5.9	25.3	560
Seasonally Adjusted		676	681	540	- 0.7	25.2	
ROUGHLY COINCIDING INDICATORS							
C1 HELP-WANTED INDEX (MILW.)							
Seasonally Adjusted	INDEX	67 Apr	66	56	1.5	19.6	60
C2 UNEMPLOYMENT RATE, TOTAL							
Unadjusted	PERCENT	5.1 Jul	5.5	6.4	–	–	7.0
Seasonally Adjusted		5.5	5.9	6.9	–	–	
C3 NATURAL GAS SALES							
Unadjusted	MIL THERMS	63.1 Jun	89.9	94.6	-29.8	-33.3	214.6
Seasonally Adjusted		133.4	137.7	199.8	- 3.1	-33.2	
C4 NEW CAR REGISTRATIONS							
Unadjusted	NUMBER	16,008 Jul	15,405	18,822	3.9	-15.0	16,947
Seasonally Adjusted		13,750	13,169	18,555	4.4	-25.9	
C5 ELECTRIC POWER SALES							
Unadjusted	MIL KWH	2188.7 Jun	2042.8	1974.0	7.1	10.9	1946.0
Seasonally Adjusted		2186.5	2101.6	1973.0	4.0	10.8	
C6 TOTAL SECURITIES REGISTRATIONS							
Unadjusted	MIL DOL	120.7 Jul	119.0	137.4	1.4	-12.2	171.0
Seasonally Adjusted		163.1	111.5	185.7	46.3	-12.2	

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
C7 MANUFACTURING EMPL.							
Unadjusted	THOUS	531.8 Jul	526.6	521.0	1.0	2.1	513.0
Seasonally Adjusted		523.4	520.4	512.8	0.6	2.1	
C8 AVG. WEEKLY EARNINGS, MFG.							
Unadjusted	DOLLARS	429.30 Jul	430.95	421.89	- 0.4	1.8	427.38
Seasonally Adjusted		435.84	431.38	428.21	1.0	1.8	
C9 CASH RECEIPTS FROM FARM MKTG.							
Unadjusted	MIL. DOL.	399.4 May	379.7	409.8	5.2	- 2.5	416.8
Seasonally Adjusted		416.0	404.4	426.9	2.9	- 2.6	
C10 CONTRACT CONSTRUCTION EMPL.							
Unadjusted	THOUS	69.9 Jul	68.3	69.7	2.3	0.3	64.0
Seasonally Adjusted		61.7	62.2	61.6	- 0.8	0.2	
OTHER KEY INDICATORS							
X1 BIRTH REGISTRATIONS							
Unadjusted	NUMBER	6586 Jul	6749	6186	- 2.4	6.5	6,033
Seasonally Adjusted		6093	6845	5722	-11.0	6.5	
X2 DEATH REGISTRATIONS							
Unadjusted	NUMBER	3438 Jul	3492	3267	- 1.5	5.2	3,514
Seasonally Adjusted		3331	3695	3166	- 9.9	5.2	
X3 NATURAL NET GAIN POPULATION							
Unadjusted	NUMBER	3148 Jul	3257	2919	- 3.3	7.8	2,519
Seasonally Adjusted		2630	3190	2439	-17.6	7.8	
X4 MARRIAGE REGISTRATIONS							
Unadjusted	NUMBER	4128 Jul	5307	4100	-22.2	0.7	3,207
Seasonally Adjusted		3044	3854	3024	-21.0	0.7	
X5 CONSUMER PRICE INDEX (MILW.)			(Nov'86)	(Jul'86)			
Unadjusted	INDEX	340.0 Jun	330.7	331.3	2.8	2.6	331.7
X6 PRICES RECEIVED BY FARMERS							
Unadjusted	INDEX	134 Jul	134	128	0.0	4.7	131
Seasonally Adjusted		137	136	131	0.7	4.6	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES							
Unadjusted	NUMBER	-104 Jul	98	572	-206.1	-118.2	1,363
Seasonally Adjusted		1503	1566	1054	- 4.0	42.6	
X8 LABOR DISPUTES, NO. OF WORKERS							
Unadjusted	NUMBER	437 Jul	392	1544	11.5	-71.7	769
Seasonally Adjusted		390	408	1379	- 4.4	-71.7	
X9 UNEMPL. COMPENSATION EXHAUSTEES							
Unadjusted	NUMBER	18,844 Jul	50,530	28,132	- 8.2	-33.0	26,223
Seasonally Adjusted		17,578	18,664	26,245	- 5.8	-33.0	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
JULY	Latest Month*	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2510.7	2527.7	2426.8	- 0.7	3.5
Employment (Inc. Labor Disputes)	2382.2	2387.7	2270.4	0.2	4.9
Unemployment	128.5	140.0	156.4	- 8.2	-17.8
Unemployment Rate	5.1	5.5	6.4	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2473.8	2471.5	2393.6	0.1	3.4
Employment (Inc. Labor Disputes)	2337.8	2324.9	2228.1	0.6	4.9
Unemployment	136.0	146.6	165.5	- 7.2	-17.8
Unemployment Rate	5.5	5.9	6.9	-	-

WISCONSIN EMPLOYMENT ESTIMATES	(In Thousands)			Pct. Chg.	
JULY	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2066.0	2085.2	2021.7	- 0.9	2.2
Unadjusted					
Manufacturing	531.4	526.2	520.0	1.0	2.2
Mining	2.5	2.4	2.4	4.2	4.2
Contract Construction	69.9	68.3	69.2	2.3	1.0
Transportation and Public Utilities	91.4	94.3	90.7	- 3.1	0.8
Elec., Gas and Sanitary Services	18.0	18.0	17.9	0.0	0.6
Wholesale Trade	104.1	103.7	101.9	0.4	2.2
Retail Trade	395.3	395.8	384.2	- 0.1	2.9
General Merchandise	49.3	49.0	47.4	0.6	4.0
Finance, Insurance and Real Estate	113.5	112.8	109.6	0.6	3.6
Banking	28.8	28.6	28.2	0.7	2.1
Insurance	37.0	36.6	35.8	1.1	3.4
Service and Miscellaneous	454.2	453.0	439.0	0.3	3.5
Hospitals	69.2	68.9	67.2	0.4	3.0
Private Education	20.3	22.3	20.9	- 9.0	- 2.9
Government	303.7	328.7	304.5	- 7.6	- 0.3
State Government	77.4	78.8	78.4	- 1.8	- 1.3
Local Government	197.3	220.9	197.2	-10.7	0.1

UNITED STATES LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
JULY	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	119,952	119,517	118,117	0.4	1.6
Employment	112,727	112,257	109,887	0.4	2.6
Unemployment	7,224	7,260	8,230	- 0.5	-12.2
Unemployment Rate	6.0	6.1	7.0	-	-

* Latest month data are preliminary

MANUFACTURING EMPLOYMENT *(Unadjusted)* JULY	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	531.4	526.2	520.0
All Manufacturing (Excluding Canning)	513.3	512.9	501.9
Durable Goods	316.2	316.4	309.9
Lumber and Wood Prod., (Except Furniture)	26.0	25.9	24.0
Sawmills and Planning Mills	3.2	3.2	3.1
Millwork, Veneer, Plywood & Prefab. Wood Prod.	13.8	13.6	12.1
Furniture and Fixtures	11.0	11.3	10.1
Household Furniture	4.5	4.7	4.0
Stone, Clay and Glass Products	9.6	9.5	8.6
Concrete, Gypsum and Plaster Products	5.1	5.0	4.3
Primary Metal Industries	18.8	18.6	19.0
Iron and Steel Foundries	9.8	9.8	9.7
Fabricated Metal Products	51.6	51.2	51.7
Heating Equipment (Except Electrical) & Plumbing Fixtures	7.2	7.0	6.4
Fabricated Structural Metal Products	12.2	12.2	12.4
Metal Stampings	10.6	10.3	10.5
Machinery (Except Electrical)	99.8	99.8	96.3
Engines and Turbines	19/8	19.4	17.1
Farm Machinery and Equipment	11.8	12.1	11.3
Const., Min. & Material Handling Mach. & Equip.	11.2	11.3	11.2
Metalworking Machinery and Equipment	10.6	10.8	10.9
Special Industry Machinery (Except Metalworking)	12.1	11.9	11.8
General Industrial Machinery and Equipment	13.9	14.0	13.8
Service Industry Machines	6.9	6.8	7.1
Electrical Machinery, Equipment and Supplies	46.6	47.5	48.3
Electrical Industrial Apparatus	15.1	15.3	16.1
Household Appliances	5.6	6.2	6.1
Transportation Equipment	32.2	32.1	31.3
Motor Vehicles and Equipment	25.4	25.2	23.8
Instruments and Related Products	10.8	10.8	11.4
Miscellaneous Manufacturing	9.8	9.7	9.2
Nondurable Goods	215.2	209.8	210.1
Food and Kindred Products	69.7	64.8	69.1
Meat Products	13.7	13.6	14.6
Dairy Products	18.3	18.3	17.5
Canning and Preserving	18.1	13.4	18.1
Bakery Products	5.4	5.3	4.6
Beverage Industries	7.4	7.5	7.6
Textile Mill Products	4.0	4.0	4.0
Knitting Mills	3.5	3.4	3.4
Apparel and Other Finished Products	7.0	7.1	5.9
Paper and Allied Products	50.0	50.2	50.5
Pulp and Paper Mills	31.2	31.4	31.7
Converted Paper and Paperboard Products	10.4	10.4	10.4
Paperboard Containers and Boxes	7.2	7.2	7.1
Printing, Publishing and Allied Industries	41.2	41.0	40.1
Newspapers	12.6	12.6	12.2
Commercial Printing	17.6	17.6	17.5
Chemicals and Allied Products	11.7	11.5	10.8
Rubber and Misc. Plastics Products	24.7	24.2	22.9
Miscellaneous Plastics Products	20.4	20.0	18.6
Leather and Leather Products	6.6	6.8	6.5
Leather Tanning and Finishing	1.6	1.7	1.7
Footwear (Except Rubber)	3.2	3.2	3.0
Other Nondurable Goods	-	-	-

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* JULY	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo Ago	Yr. Ago	Latest Month	Mo Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$429	$431	$422	41.2	41.2	41.0
All Manufacturing (Excl. Canning)	438	437	431	41.4	41.5	41.2
Durable Goods	442	442	430	41.6	41.7	41.0
Lumber/Wood Prod. (Exc. Furn.)	324	321	314	41.2	41.1	39.6
Furniture and Fixtures	353	340	326	43.6	42.7	41.5
Stone, Clay and Glass Products	431	432	417	45.9	45.7	43.1
Primary Metal Industries	439	441	411	42.9	43.4	41.2
Iron and Steel Foundries	446	449	419	43.7	44.3	42.5
Fabricated Metal Products	416	418	410	40.7	40.8	39.8
Fab. Structural Metal Prod.	439	440	427	44.9	44.4	41.5
Metal Stampings	433	449	434	39.1	40.0	39.6
Machinery (Except Electrical)	491	487	489	42.3	42.1	42.5
Engines and Turbines	580	526	605	44.3	40.8	46.4
Farm Machinery and Equip.	511	548	513	41.5	43.1	41.4
Const. and Related Mach.	448	455	457	41.6	42.4	42.1
Metalworking Mach. and Equip.	520	518	512	42.6	42.9	42.7
Spec. Ind. Mach. (Exc. Metal) .	481	491	480	41.0	41.8	40.4
Gen. Industrial Mach. and Equip.	474	490	484	41.0	42.0	40.4
Electrical Mach., Equip. and Supp.	411	419	416	40.3	41.1	40.9
Electrical Industrial Apparatus	457	457	439	41.1	41.0	40.8
Transportation Equipment	567	572	530	40.4	40.8	40.4
Instruments and Related Prod.	377	375	352	41.7	41.6	39.6
Nondurable Goods	410	416	410	40.5	40.5	40.9
Food and Kindred Products	354	365	346	39.2	38.3	38.8
Meat Products	363	362	350	41.1	40.9	39.8
Dairy Products	398	401	401	40.0	40.6	40.9
Textile Mill Products	291	301	322	41.2	41.9	40.8
Apparel and Other Fin. Prod.	245	248	245	38.7	39.4	39.4
Paper and Allied Products	570	566	574	45.2	45.1	46.8
Pulp and Paper Mills	619	615	627	46.1	46.0	48.4
Printing, Pub. and Allied Prod.	437	423	437	38.9	38.0	39.3
Chemicals and Allied Products	469	477	466	41.5	42.0	41.4
Rubber and Misc. Plastics Prod.	323	338	316	38.3	40.4	38.5
Leather and Leather Products.	264	266	263	39.1	39.5	38.7

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* JULY	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$10.42	$10.46	$10.29	$10.02	$10.02	$ 9.94
All Manufacturing (Excl. Canning)	10.57	10.54	10.45	10.15	10.10	10.09
Durable Goods	10.62	10.59	10.48	10.28	10.21	10.23
Lumber/Wood Prod. (Exc. Furn.)	7.86	7.81	7.94	7.81	7.76	–
Furniture and Fixtures	8.10	7.96	7.85	7.88	7.70	7.73
Stone, Clay and Glass Products	9.38	9.45	9.68	8.99	9.06	–
Primary Metal Industries	10.24	10.17	9.98	0.79	9.71	9.61
Iron and Steel Foundries	10.20	10.14	9.86	9.69	9.66	9.52
Fabricated Metal Products	10.21	10.25	10.31	9.77	9.84	9.93
Fab. Structural Metal Prod.	9.78	9.90	10.29	9.22	9.38	9.85
Metal Stampings	11.08	11.22	10.96	10.73	10.84	10.63
Machinery (Except Electrical)	11.61	11.57	11.50	11.28	11.13	11.18
Engines and Turbines	13.10	12.89	13.04	12.90	12.30	12.79
Farm Machinery and Equip.	12.31	12.71	12.39	11.73	12.29	11.93
Const. and Related Mach.	10.78	10.72	10.86	10.46	10.41	10.57
Metalworking Mach. and Equip.	12.21	12.08	11.98	11.87	11.74	11.60
Spec. Ind. Mach. (Exc. Metal).	11.72	11.75	11.88	11.19	11.20	11.39
Gen. Industrial Mach. and Equip.	11.56	11.67	11.98	11.13	11.23	11.50
Electrical Mach., Equip. and Supp.	10.19	10.20	10.17	9.80	9.81	9.86
Electrical Industrial Apparatus	11.11	11.14	10.77	10.85	10.92	10.54
Transportation Equipment	14.03	14.02	13.12	13.50	13.46	12.74
Instruments and Related Prod.	9.03	9.02	8.88	8.74	8.73	8.60
Nondurable Goods	10.13	10.27	10.02	9.63	9.72	9.51
Food and Kindred Products	9.03	9.53	8.91	8.68	9.02	8.47
Meat Products	8.84	8.84	8.82	8.47	8.44	8.43
Dairy Products	9.96	9.87	9.81	9.42	9.34	9.29
Textile Mill Products	7.06	7.18	7.89	6.79	6.91	7.61
Apparel and Other Fin. Prod.	6.34	6.29	6.21	6.16	6.14	6.08
Paper and Allied Products	12.62	12.56	12.26	11.87	11.84	11.66
Pulp and Paper Mills	13.42	13.38	12.95	12.56	12.54	12.36
Printing, Pub. and Allied Prod.	11.24	11.13	11.13	–	–	–
Chemicals and Allied Products	11.31	11.35	11.25	10.95	10.96	10.94
Rubber and Misc. Plastics Prod.	8.43	8.37	8.22	8.10	8.04	7.96
Leather and Leather Products.	6.75	6.74	6.79	6.51	6.48	6.64

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* JULY	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$401	$406	$392	40.6	41.1	40.2	9.88	9.74	–	–	–
Wisconsin	429	431	422	41.2	41.2	41.0	10.42	10.46	10.29	10.02	10.02
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	453	457	450	41.8	42.4	43.6	10.84	10.78	10.32	10.31	10.25
Beloit (City)	371	396	346	36.7	38.9	34.9	10.10	10.17	9.92	–	–
Eau Claire (Eau Claire-Chippewa)	450	451	413	41.6	41.8	39.9	10.81	10.78	10.36	10.16	10.09
Fond du Lac (County)	382	371	391	39.4	39.1	42.0	9.70	9.49	9.32	9.26	9.12
Green Bay (Brown County)	458	467	467	42.1	41.7	42.4	10.87	11.19	11.02	10.11	10.37
Janesville (City)	554	537	498	39.7	38.7	37.8	13.96	13.88	13.17	13.55	13.65
Janesville-Beloit (Rock County)	477	473	448	38.9	38.6	37.4	12.27	12.26	11.98	11.83	11.94
Kenosha (County)	473	498	441	38.9	40.5	39.2	12.17	12.29	11.24	11.80	11.69
La Crosse (County)	354	365	359	38.1	39.3	38.0	9.28	9.29	9.44	8.99	9.02
Madison (Dane County)	396	399	390	40.8	40.6	40.7	9.70	9.82	9.59	9.32	9.41
Manitowoc (County)	376	405	374	39.3	40.5	39.8	9.58	9.99	9.39	9.21	9.63
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	481	476	482	41.2	41.1	41.1	11.68	11.59	11.72	11.22	11.09
Racine (County)	430	455	415	39.3	40.7	39.0	10.95	11.17	10.65	10.72	10.94
Sheboygan (County)	395	397	360	41.4	41.8	38.8	9.53	9.49	9.27	9.05	9.01
Wausau (Marathon County)	426	428	416	43.1	43.3	42.0	9.89	9.88	9.90	9.40	9.41

EMPLOYMENT, MFG. *(Unadjusted)* JULY	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,017.0	19,152.0	18,867.0	0.7	0.8
Wisconsin	531.4	526.2	520.0	1.0	2.2
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	51.2	51.0	48.5	0.4	5.6
Beloit (City)	4.8	4.7	4.6	2.1	4.3
Eau Claire (Eau Claire-Chippewa)	10.3	10.3	10.5	0.0	- 1.9
Fond du Lac (County)	10.0	10.8	10.5	-7.4	- 4.8
Green Bay (Brown County)	25.1	24.5	25.6	2.4	- 2.0
Janesville (City)	10.0	10.0	10.5	0.0	- 4.8
Janesville-Beloit (Rock County)	17.1	16.9	17.0	1.2	0.6
Kenosha (County)	13.1	12.8	10.7	2.3	22.4
La Crosse (County)	10.3	10.1	10.4	2.0	- 1.0
Madison (Dane County)	22.5	22.4	21.7	0.4	3.7
Manitowoc (County)	11.7	10.9	12.3	7.3	- 4.9
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	165.6	166.1	166.5	-0.3	- 0.5
Racine (County)	23.4	24.0	24.0	-2.5	- 2.5
Sheboygan (County)	20.0	19.9	19.0	0.5	5.3
Wausau (Marathon County)	13.7	13.5	12.4	1.5	10.5

WISCONSIN ECONOMIC FORECAST

by David H. Peterson and Gene Schubert

Economic events in 1987 have unfolded as expected. Consumption spending has weakened as has investment and government spending. The bright spot is in foreign trade with exports growing at double-digit rates while imports stagnate. The forecast calls for this general pattern to persist through 1989.

This is not to say that risks do not exist. One is that the dollar could fall and inflation could accelerate more rapidly than forecast. The resulting rise in interest rates could erode consumer and business confidence and cause a stock market correction. As a result, consumption and investment could slow dramatically and the economy could slide into a recession.

Another risk is that the expected improvement in foreign trade could fail to materialize. This along with weaker than expected consumption spending could produce very sluggish growth in the Gross National Product (GNP), but no recession.

These risks while recognized are not considered the most likely course of events.

Consumption

The forecast calls for consumption spending to decelerate from over 4.0 percent growth in 1985 and 1986, to 2.2 percent in 1987, and 2.4 percent in 1988. Evidence from the first half of 1987 indicates that this is indeed occurring. The consumer has little room for expansion. In recent years, consumption spending has risen faster than income. This has been financed by a declining saving rate and an expansion of consumer debt. Now, with income rising slowly and the cost of imported goods rising rapidly, a slowdown in consumption spending is expected.

Investment

The outlook for investment spending is quite weak. Total investment spending is forecast to grow by 0.8 percent in 1987, by 0.5 percent in 1988, and by 1.9 percent in 1989.

Construction of nonresidential structures and multifamily housing has been hurt by recent tax law changes and by overbuilding and has fallen sharply.

Single family housing, although not adversely affected by tax reform, has slowed this year due to the rise in mortgage interest rates.

Investment in business equipment is forecast to grow slowly. Business equipment investment was adversely affected by the repeal of the investment tax credit. In addition, capacity utilization is still at relatively low levels and industrial output is expected to grow modestly.

Government

Spending by state and local government is expected to decelerate from growth rates in excess of 4.0 percent, to growth of 3.4 percent in 1987, and 1.4 percent in 1988 and 1989. Budget surpluses accumulated during the early stages of the recovery have dwindled and fiscal pressure from declining federal grants will put downward pressure on spending.

The federal government is expected to continue to struggle with its massive fiscal imbalance. Therefore, federal spending is expected to decline 0.2 percent this year, then grow 1.0

percent in 1988 and 0.2 percent in 1989.

Foreign Trade

The "real" balance of trade is expected to improve throughout the forecast period. Exports are forecast to increase 10.2 percent in 1987, 9.3 percent in 1988, and 7.2 percent in 1989. Imports are forecast to increase 2.8 percent in 1987 and 1.4 percent in 1988, and decline 0.4 percent in 1989.

The "real" balance of trade (measured in constant 1982 dollars) has been improving since the third quarter of 1986. This may be surprising since the monthly trade figures have shown no sign of improvement. The reason behind this apparent discrepancy is that the monthly merchandise trade figures are not adjusted for inflation. Since the prices of imports have been rising more rapidly than the prices of exports, a "real" improvement has been occurring, that is the volume of goods exported is increasing more rapidly than the volume of goods imported. As these trends continue, improvements in nominal trade balances should occur.

Correcting the foreign trade imbalance is seen as an "improvement" when we view ourselves as producers because it means more production and jobs at home. It will prove to be a difficult adjustment however when we view ourselves as consumers .because we must pay higher prices for imported goods. The current forecast anticipates rising import prices dampening consumers' demand for foreign goods while foreigners use their enhanced purchasing power to demand a greater share of U.S. production.

Inflation

The outlook for inflation is for gradually accelerating price increases. The consumer price index is forecast to rise by 3.8 percent in 1987, 4.7 percent in 1988 and 4.9 percent in 1989. These rates are distinctly higher than the 1.9 percent experienced in 1986. The 1986 inflation experience was heavily influenced by falling oil prices which are now gradually increasing. Over the forecast period inflationary pressures are anticipated to originate in the foreign sector as the prices of imported goods rise in response to the weaker dollar.

Wisconsin Outlook

The Wisconsin economy is maintaining growth at rates which suggest a continuation of recent past performance. There has been moderate growth following strong growth in 1984 when the recovery from the last recession first took full bloom. On balance, the economic growth patterns in Wisconsin have coincided remarkably with the national economic performance, especially when consideration of the industry mix is taken into account. This pattern of modest growth is expected to continue over the next two years as no national recession or business cycle correction is yet in sight.

Total nonfarm employment growth is expected to improve this year and in 1988 and 1989 as compared with the last two years when the gain in new jobs was 1.8 percent and 1.6 percent. Nonfarm employment growth this year is expected to be 2.3 percent followed by gains of 2.0 percent next year and 1.9 percent in 1989. Most of the additional growth will come from a reversal of the 1985 and 1986 declines in durable manufacturing jobs. While

(continued on back cover)

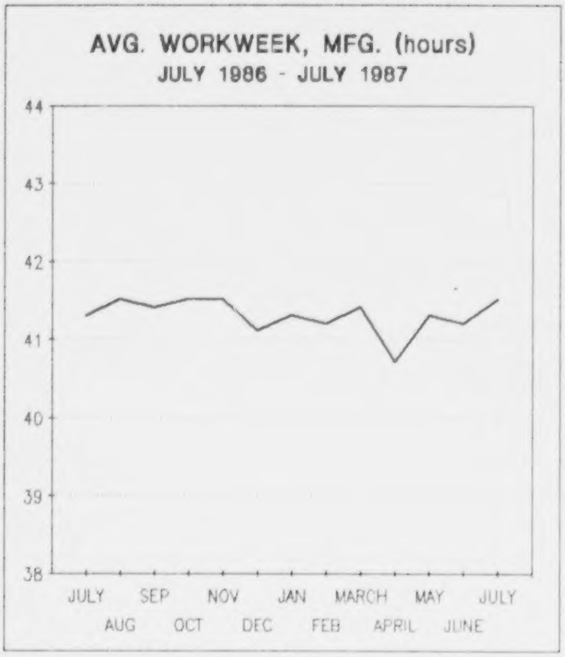
WISCONSIN EMPLOYMENT FORECAST
(Thousands of Workers, Annual Average)

	1985	1986	1987	1988	1989
MANUFACTURING	513.9	512.5	519.7	525.1	528.2
DURABLES	315.5	310.2	313.0	315.9	316.7
LUMBER PRODUCTS	22.9	23.3	25.0	24.8	24.5
STONE, CLAY, GLASS	7.9	7.9	8.9	9.4	9.4
PRIMARY METALS	19.5	19.0	18.5	18.1	17.7
FABRICATED METALS	51.4	51.5	51.0	51.5	51.8
NON-ELECT. MACHINERY	100.5	98.6	99.1	100.5	100.3
ELECTRICAL MACHINERY	49.9	48.5	47.5	47.9	48.6
TRANS. EQUIPMENT	32.3	30.5	31.9	32.3	32.9
OTHER DURABLES	31.0	30.9	31.2	31.4	31.5
NONDURABLES	198.4	202.2	206.6	209.3	211.5
FOOD PRODUCTS	61.6	62.1	63.5	63.1	62.7
PAPER PRODUCTS	48.0	49.0	49.5	49.8	50.0
PRINTING & PUBLISHING	38.1	39.6	40.9	42.8	44.3
CHEMICALS	10.0	10.6	11.0	11.1	11.1
RUBBER & PLASTICS	22.5	23.3	24.3	25.1	26.0
OTHER NONDURABLES	18.3	17.6	17.4	17.4	17.4
MINING	1.9	2.0	2.1	2.0	2.0
CONSTRUCTION	64.4	63.8	65.7	66.7	69.6
TRANS., COMM., UTILITIES	94.2	92.8	94.0	96.7	97.6
FINANCE, INSUR., REAL EST.	103.9	107.7	111.6	115.3	119.3
TRADE	465.1	477.8	492.5	501.5	510.2
SERVICES	419.0	432.9	448.3	466.2	485.3
GOVERNMENT	320.6	325.1	327.3	327.9	328.2
TOTAL EMPLOYMENT (Nonfarm)	1983.0	2014.7	2061.2	2101.6	2140.5

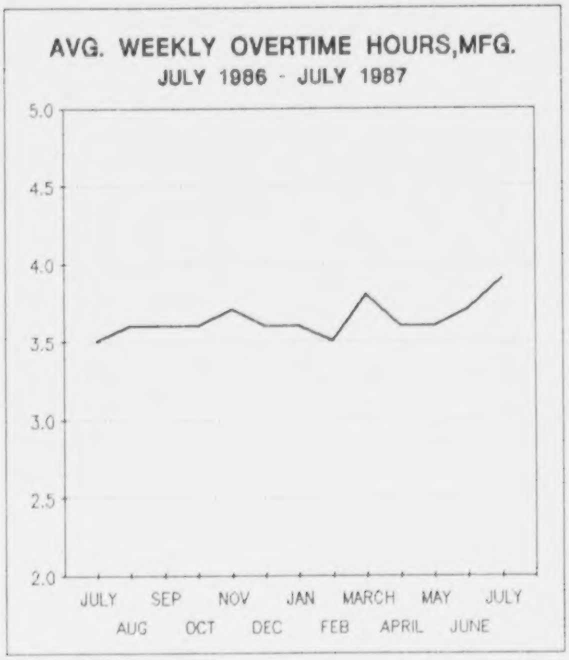
Section

D

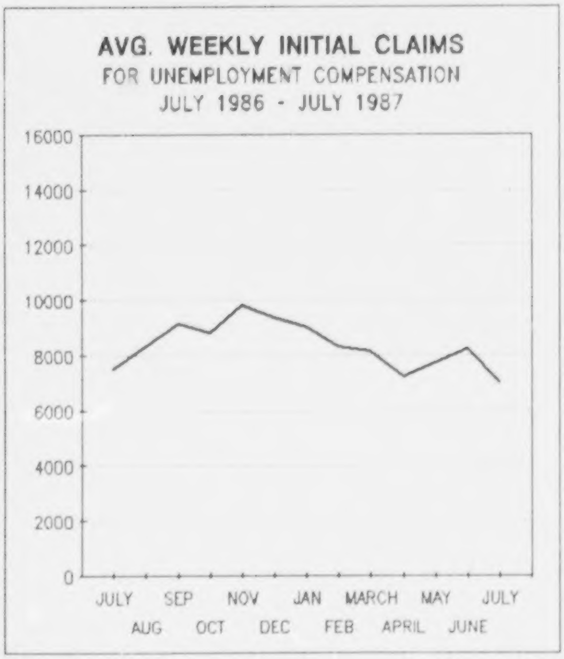
CYCLICAL INDICATORS



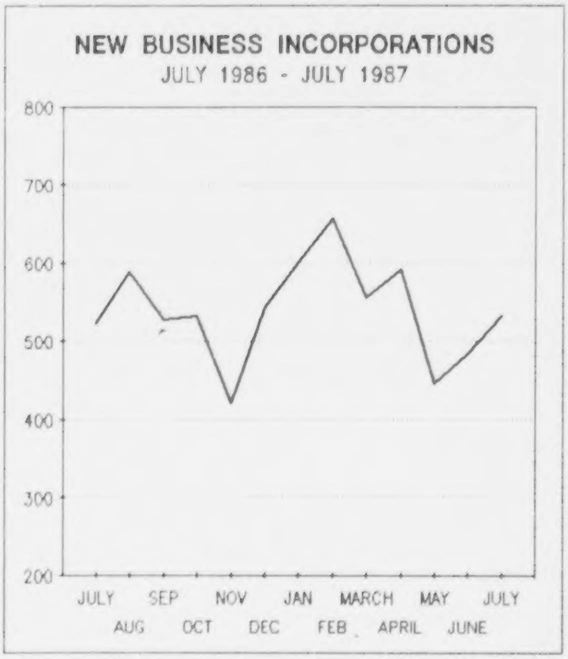
AVG. WORKWEEK, MFG. (hours)
JULY 1986 - JULY 1987



AVG. WEEKLY OVERTIME HOURS,MFG.
JULY 1986 - JULY 1987



AVG. WEEKLY INITIAL CLAIMS
FOR UNEMPLOYMENT COMPENSATION
JULY 1986 - JULY 1987

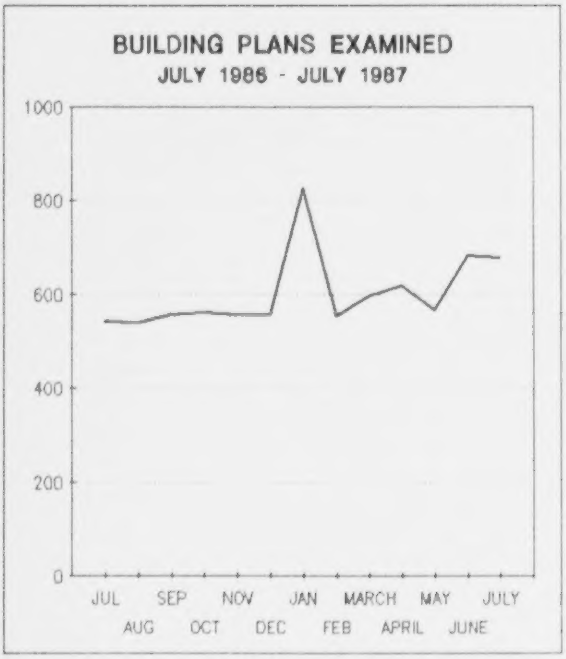


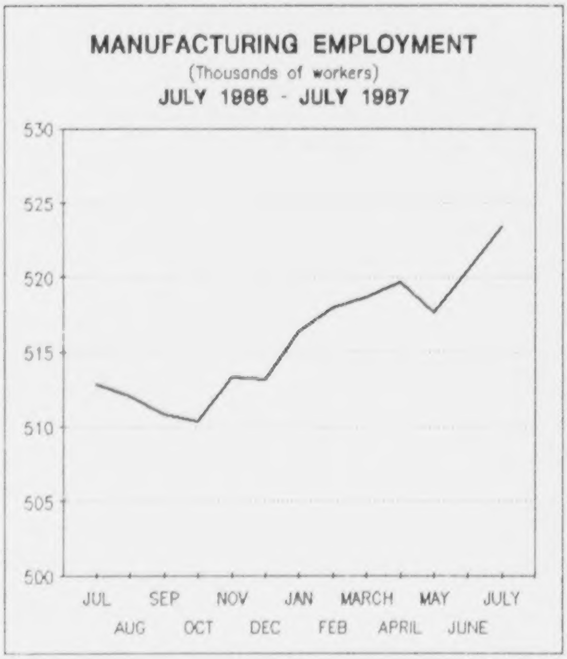
NEW BUSINESS INCORPORATIONS
JULY 1986 - JULY 1987

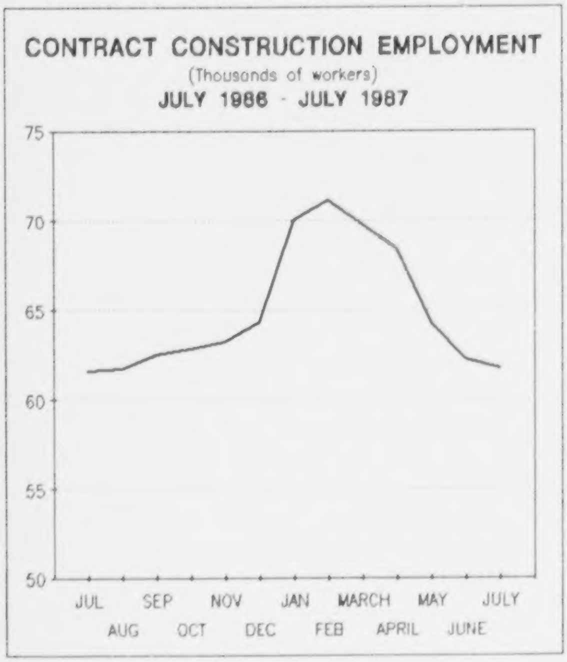
Section

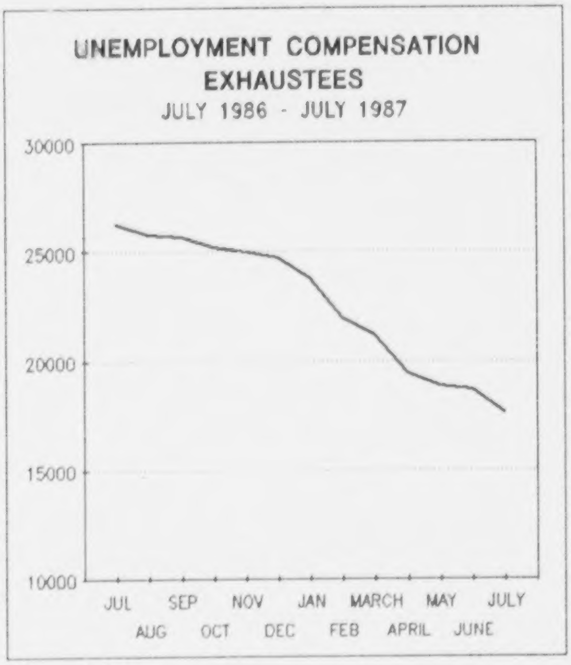
D

CYCLICAL INDICATORS


BUILDING PLANS EXAMINED
JULY 1986 - JULY 1987


MANUFACTURING EMPLOYMENT
(Thousands of workers)
JULY 1986 - JULY 1987


CONTRACT CONSTRUCTION EMPLOYMENT
(Thousands of workers)
JULY 1986 - JULY 1987


UNEMPLOYMENT COMPENSATION EXHAUSTEES
JULY 1986 - JULY 1987

Department of Industry,
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(continued from page 10)

the growth in durable manufacturing jobs is not expected to be substantial, the turnaround, attributed to the weaker dollar and consequently strong export growth, will be enough to increase employment in Wisconsin.

The nonmanufacturing employment sectors of Wisconsin's economy continue to be the source of most new jobs. Of the 46,500 additional jobs expected this year, 37,300 (80 percent) will originate in the service producing sectors. Transportation, communication and utilities is expected to show a gain of 1,200, finance, insurance, and real estate a gain of 3,900, trade a gain of 14,700, services a gain of 15,400, and all government a gain of 2,200. Mining and construction, part of the goods producing group, will show a gain of 2,000 jobs this year.

The trend for job growth in the service producing sectors is expected to continue in 1988 and 1989. Weak consumption spending is expected to reduce the employment growth in trade, but this will be balanced by continuing growth in service employment.

Government employment growth is expected to resume its trend in line with population growth, after two years of exceptionally strong employment growth in 1985 and 1986. The latter was associated with local governments and school districts.

Personal income growth is expected to be marginally weaker this year as wage rates continue to be under downward pressure in moves to be more competitive with other areas of the nation and foreign countries. Personal income in Wisconsin is expected to expand by 4.3 percent this year following a gain of 5.1 percent in 1986. Wages and salaries are projected to gain by 4.7 percent versus 5.1 percent last year. Wages and salaries will recover to a more normal growth range in 1988 and 1989 as wage increases are expected to continue catching up to general price inflation. Total personal income should grow by over 6.0 percent in both 1988 and 1989, with wages growing at 5.6 percent next year and at 6.2 percent in 1989.

In summary, Wisconsin can expect to see a continuation of past growth trends and mirror the national growth pattern to a large extent. A gradual turnaround of the trade balance should be helpful to the Wisconsin economy.

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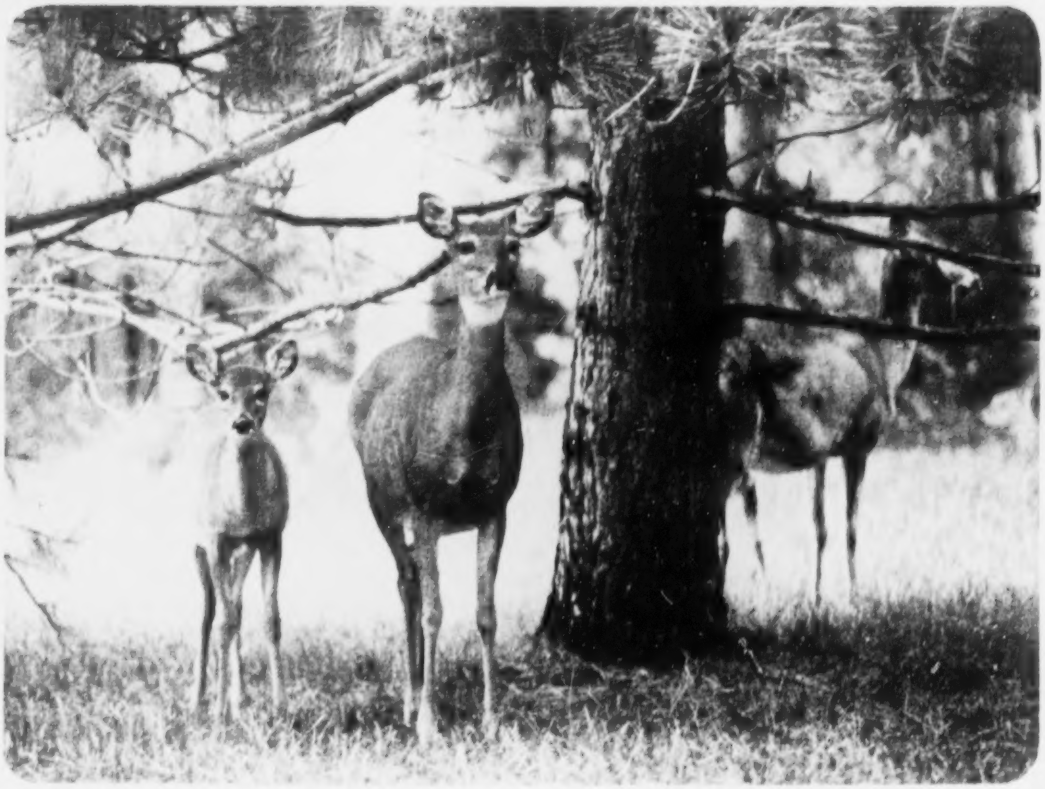
WISCONSIN ECONOMIC INDICATORS

SEPTEMBER 1987



DILHR DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES. Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

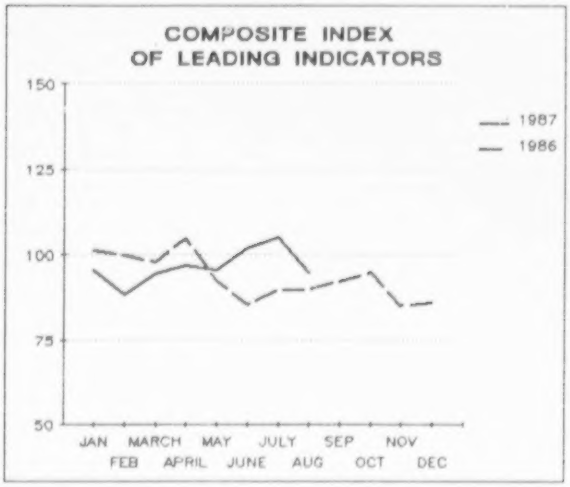
WISCONSIN ECONOMIC INDICATORS

SUMMARY FOR AUGUST

COMPOSITE INDEX

Wisconsin's composite index of leading indicators dropped by over ten points in August and now stands at 94.8 percent of its base year average in 1979. A ten point decline is large but the composite index had been at unusually high levels in the two previous months.

The majority of leading indicators had negative changes in August, with only the manufacturing workweek series showing positive growth.


COMPOSITE INDEX OF LEADING INDICATORS

LEADING INDICATORS

Production workers in Wisconsin's manufacturing industries averaged more weekly hours on the job in August than in the previous month. The four-tenths of an hour increase is a bit larger than normal for this month; a two-tenths increase would have fit the seasonal pattern.

The average workweek lengthened because average weekly overtime hours increased. Overtime grew by a half hour per week in the state's factories, a normal growth for August.

However, a smaller manufacturing employment level accompanied the longer workweek. Manufacturers employed 7,200 fewer workers in August but increased the time on the job by those employed. The result is a decrease in the total labor input in the state's goods-producing industries during August.

The number of average weekly initial claims for unemployment compensation decreased by over twelve-hundred. While that seems like a large decrease, a decline of between 15 and 16 hundred would have been seasonally normal for this month.

The number of job openings received by state Job Service offices throughout the state increased in August by nearly six hundred. The job openings received figure is 9,707, but that represents only a portion of worker recruiting efforts by employers. And while the openings received number did increase, the growth was subpar for August. A growth of over a thousand would have been normal.

The number of new business incorporations declined to 450 in August from 544 in the month earlier. Some decrease of incorporations is normal for August, but this month's drop is about twice the normal amount.

The net gain in business telephone access lines decreased, signifying a decrease in the growth of new business places throughout the state. And, the number of building plans examined for commercial and industrial buildings decreased, pointing to a slowing of business site construction.

Section

A

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES			% CHANGE		AVG.
		Latest Month	Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
LEADING INDICATORS							
L1 COMPOSITE INDEX OF LEADING INDICATORS							
Seasonally Adjusted	INDEX	94.8 Aug	105.0	89.6	9.7	5.8	93.0
L2 AVG. WORK WEEK, MFG.							
Unadjusted	HOURS	41.5 Aug	41.1	41.4	1.0	0.2	41.4
Seasonally Adjusted		41.6	41.4	41.5	0.5	0.2	
L3 AVG. OVERTIME HOURS, MFG.							
Unadjusted	HOURS	4.1 Aug	3.7	3.9	13.5	7.7	3.6
Seasonally Adjusted		3.9	3.9	3.6	0.0	8.3	
L4 AVG. WEEKLY INITIAL CLAIMS							
Unadjusted	NUMBER	5310 Aug	6527	5890	- 18.6	- 9.8	8802
Seasonally Adjusted		7489	7003	8307	6.9	- 9.8	
L5 TOTAL JOB OPENINGS REC.							
Unadjusted	NUMBER	9707 Aug	9115	9384	6.5	3.4	7743
Seasonally Adjusted		7106	7465	6871	- 4.8	3.4	
L6 NEW BUSINESS INCORPORATIONS							
Unadjusted	NUMBER	450 Aug	544	525	- 17.3	- 14.3	539
Seasonally Adjusted		479	532	558	- 10.0	- 14.2	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES							
Unadjusted	NUMBER	-1647 Aug	2413	2836	-168.3	-158.1	1276
Seasonally Adjusted		1405	2142	1481	- 34.4	- 5.1	
L8 BUILDING PLANS EXAMINED							
Unadjusted	NUMBER	684 Aug	808	605	- 15.3	13.1	560
Seasonally Adjusted		608	676	538	- 10.1	13.0	
ROUGHLY COINCIDING INDICATORS							
C1 HELP-WANTED INDEX (MILW.)							
Seasonally Adjusted	INDEX	83 Jul	72	65	15.3	27.7	60
C2 UNEMPLOYMENT RATE, TOTAL							
Unadjusted	PERCENT	4.8 Aug	5.2	6.1	–	–	7.0
Seasonally Adjusted		5.6	5.6	7.0	–	–	
C3 NATURAL GAS SALES							
Unadjusted	MIL THERMS	60.8 Jul	63.1	77.8	- 3.6	- 21.9	214.6
Seasonally Adjusted		140.1	133.4	179.1	5.0	- 21.8	
C4 NEW CAR REGISTRATIONS							
Unadjusted	NUMBER	15,267 Aug	16,008	15,650	- 4.6	- 2.4	16,947
Seasonally Adjusted		15,390	13,750	15,780	11.9	- 2.5	
C5 ELECTRIC POWER SALES							
Unadjusted	MIL KWH	2313.4 Jul	2188.7	2116.3	5.7	9.3	1946.0
Seasonally Adjusted		2176.3	2186.5	1990.4	- 0.5	9.3	
C6 TOTAL SECURITIES REGISTRATIONS							
Unadjusted	MIL DOL	109.4 Aug	120.7	97.3	- 9.4	12.4	171.0
Seasonally Adjusted		129.8	163.1	115.5	- 20.4	12.4	

WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES				% CHANGE		AVG.
		Latest Month		Mo/Ago	Yr/Ago	Mo/Ago	Yr/Ago	1986
C7 MANUFACTURING EMPL.								
Unadjusted	THOUS	525.1	Aug	532.3	527.3	- 1.4	- 0.4	513.0
Seasonally Adjusted		509.8		523.9	512.0	- 2.7	- 0.4	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	427.04	Aug	428.67	418.14	- 0.4	2.1	427.38
Seasonally Adjusted		438.89		435.20	429.72	0.8	2.1	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL	394.8	Jun	399.5	401.0	- 1.2	- 1.5	416.8
Seasonally Adjusted		406.2		416.1	412.7	- 2.4	- 1.6	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS	70.8	Aug	69.9	70.6	1.3	0.3	64.0
Seasonally Adjusted		61.9		61.7	61.7	0.3	0.3	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	5885	Aug	6586	6226	-10.6	- 5.5	6,033
Seasonally Adjusted		5804		6093	6139	- 4.7	- 5.5	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3460	Aug	3438	3258	0.6	6.2	3,514
Seasonally Adjusted		3892		3331	3666	16.8	6.2	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	2425	Aug	3148	2968	-23.0	-18.3	2,519
Seasonally Adjusted		2076		2630	2541	-21.1	-18.3	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	4748	Aug	4128	4660	15.0	1.9	3,207
Seasonally Adjusted		3191		3044	3133	4.8	1.9	
X5 CONSUMER PRICE INDEX (MILW.)								
Unadjusted	INDEX	340.0	Jun	(Nov'86) 330.7	(Jul'86) 331.3	2.8	2.6	331.7
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	133	Aug	134	133	- 0.7	0.0	131
Seasonally Adjusted		133		137	133	- 2.7	0.0	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	3508	Aug	-104	5339	3473.1	-34.3	1,363
Seasonally Adjusted		1246		1503	1432	-17.1	-13.0	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	252	Aug	437	2489	-42.3	-89.9	769
Seasonally Adjusted		87		390	856	-77.7	-89.8	
X9 UNEMPL. COMPENSATION EXHAUSTEES								
Unadjusted	NUMBER	17,269	Aug	18,874	26,627	- 8.5	-35.1	26,223
Seasonally Adjusted		16,701		17,606	25,743	- 5.1	-35.1	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
AUGUST	Latest Month *	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2499.9	2513.2	2419.9	- 0.5	3.3
Employment (Inc. Labor Disputes)	2378.8	2383.3	2273.5	- 0.2	4.6
Unemployment	121.0	129.9	146.4	- 6.9	-17.3
Unemployment Rate	4.8	5.2	6.1	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2463.1	2476.3	2389.1	- 0.5	3.1
Employment (Inc. Labor Disputes)	2325.3	2338.9	2222.4	- 0.6	4.6
Unemployment	137.8	137.5	166.7	0.2	-17.3
Unemployment Rate	5.6	5.6	7.0	-	-

WISCONSIN EMPLOYMENT ESTIMATES	(In Thousands)			Pct. Chg	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2067.9	2067.3	2032.7	0.0	1.7
Unadjusted					
Manufacturing	525.0	531.9	525.3	- 1.3	- 0.1
Mining	2.5	2.5	2.4	0.0	4.2
Contract Construction	70.8	69.9	70.1	1.3	1.0
Transportation and Public Utilities	90.9	91.2	90.7	- 0.3	0.2
Elec., Gas and Sanitary Services	18.0	18.0	17.9	0.0	0.6
Wholesale Trade	104.9	104.7	101.5	0.2	3.3
Retail Trade	400.7	396.1	388.9	1.2	3.0
General Merchandise	49.8	49.0	48.1	1.6	3.5
Finance, Insurance and Real Estate	113.5	113.3	109.9	0.2	3.3
Banking	28.7	28.8	28.1	- 0.3	2.1
Insurance	37.1	36.9	35.8	0.5	3.6
Service and Miscellaneous	457.3	454.8	442.4	0.5	3.4
Hospitals	69.3	69.3	67.2	0.0	3.1
Private Education	21.2	20.9	21.1	1.4	0.5
Government	302.3	302.8	301.3	- 0.2	0.3
State Government	76.7	75.9	77.9	1.1	- 1.5
Local Government	196.9	198.0	194.8	- 0.6	1.1

UNITED STATES LABOR FORCE ESTIMATES	(In Thousands)			Pct. Chg.	
SEPTEMBER	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	119,861	120,302	118,272	-0.4	1.3
Employment	112,772	113,081	109,987	-0.3	2.5
Unemployment	7,089	7,221	8,285	-1.8	-14.4
Unemployment Rate	5.9	6.0	7.0	-	-

* Latest month data are preliminary

MANUFACTURING EMPLOYMENT *(Unadjusted)* AUGUST	(In Thousands)		
	Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	525.0	531.9	525.3
All Manufacturing (Excluding Canning)	505.1	513.9	502.4
Durable Goods	308.3	316.6	309.9
Lumber and Wood Prod., (Except Furniture)	26.2	26.0	23.9
Sawmills and Planning Mills	3.1	3.2	3.0
Millwork, Veneer, Plywood & Prefab. Wood Prod.	13.7	13.8	12.1
Furniture and Fixtures	11.0	11.1	10.2
Household Furniture	4.3	4.4	4.1
Stone, Clay and Glass Products	9.7	9.5	8.5
Concrete, Gypsum and Plaster Products	5.1	5.0	4.2
Primary Metal Industries	18.9	18.7	19.1
Iron and Steel Foundries	9.8	9.8	9.8
Fabricated Metal Products	51.9	51.6	51.9
Heating Equipment (Except Electrical) & Plumbing Fixtures	7.4	7.2	6.5
Fabricated Structural Metal Products	12.3	12.2	12.5
Metal Stampings	10.4	10.6	10.7
Machinery (Except Electrical)	99.3	99.9	97.5
Engines and Turbines	19.2	19.8	18.0
Farm Machinery and Equipment	11.6	11.9	11.8
Const., Min. & Material Handling Mach. & Equip.	11.3	11.2	11.0
Metalworking Machinery and Equipment	10.7	10.8	10.9
Special Industry Machinery (Except Metalworking)	12.2	12.1	11.8
General Industrial Machinery and Equipment	14.0	13.9	13.7
Service Industry Machines	6.8	6.9	7.1
Electrical Machinery, Equipment and Supplies	46.7	46.4	48.9
Electrical Industrial Apparatus	14.8	14.8	16.0
Household Appliances	5.7	5.6	6.5
Transportation Equipment	23.7	32.5	29.0
Motor Vehicles and Equipment	17.2	25.6	21.2
Instruments and Related Products	10.9	10.8	11.5
Miscellaneous Manufacturing	10.1	9.9	9.4
Nondurable Goods	216.7	215.4	215.4
Food and Kindred Products	71.2	69.9	73.7
Meat Products	13.6	13.8	14.5
Dairy Products	18.2	18.3	17.5
Canning and Preserving	19.9	18.1	22.9
Bakery Products	5.2	5.3	4.6
Beverage Industries	7.3	7.4	7.5
Textile Mill Products	4.0	4.0	4.1
Knitting Mills	3.4	3.5	3.6
Apparel and Other Finished Products	6.8	7.0	6.6
Paper and Allied Products	50.1	50.0	49.4
Pulp and Paper Mills	31.4	31.1	30.6
Converted Paper and Paperboard Products	10.5	10.4	10.4
Paperboard Containers and Boxes	7.0	7.2	7.0
Printing, Publishing and Allied Industries	41.2	41.1	40.1
Newspapers	12.5	12.6	12.2
Commercial Printing	17.6	17.6	17.5
Chemicals and Allied Products	11.8	11.8	10.9
Rubber and Misc. Plastics Products	24.6	24.7	23.3
Miscellaneous Plastics Products	20.4	20.4	19.1
Leather and Leather Products	6.8	6.7	7.1
Leather Tanning and Finishing	1.7	1.6	1.6
Footwear (Except Rubber)	3.2	3.2	3.6
Other Nondurable Goods	–	–	–

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* AUGUST	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo Ago	Yr Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$427	$429	$418	41.5	41.1	41.4
All Manufacturing (Excl. Canning)	436	437	428	41.5	41.3	41.4
Durable Goods	436	442	429	41.6	41.6	41.3
Lumber/Wood Prod. (Exc. Furn.)	322	324	321	40.5	41.2	40.7
Furniture and Fixtures	347	352	335	42.8	43.3	42.0
Stone, Clay and Glass Products	438	432	420	45.7	45.8	43.3
Primary Metal Industries	447	437	430	44.0	43.0	43.1
Iron and Steel Foundries	462	446	427	45.4	43.7	43.3
Fabricated Metal Products	423	415	410	41.1	40.7	40.2
Fab. Structural Metal Prod.	431	436	425	44.0	44.5	41.5
Metal Stampings	453	431	427	40.5	38.8	40.1
Machinery (Except Electrical)	481	493	479	41.8	42.4	41.8
Engines and Turbines	524	580	520	40.4	44.3	42.0
Farm Machinery and Equip.	483	509	531	40.6	41.3	41.7
Const. and Related Mach.	462	447	449	42.5	41.5	40.9
Metalworking Mach. and Equip.	523	530	519	42.5	42.7	43.0
Spec. Ind. Mach. (Exc. Metal).	503	481	496	43.2	41.0	42.0
Gen. Industrial Mach. and Equip.	479	475	496	41.7	41.3	41.4
Electrical Mach., Equip. and Supp.	415	416	414	40.6	40.7	41.2
Electrical Industrial Apparatus	454	469	437	41.3	42.0	40.9
Transportation Equipment	577	566	534	41.0	40.2	40.5
Instruments and Related Prod.	380	386	348	41.4	42.2	39.4
Nondurable Goods	415	410	404	41.5	40.5	41.6
Food and Kindred Products	362	352	351	41.4	39.1	41.4
Meat Products	357	363	360	41.5	41.1	41.0
Dairy Products	401	398	403	40.7	40.0	41.0
Textile Mill Products	306	290	333	42.4	40.7	42.6
Apparel and Other Fin. Prod.	246	246	249	38.8	38.8	40.0
Paper and Allied Products	573	570	557	45.3	45.2	45.9
Pulp and Paper Mills	612	620	600	45.6	46.2	46.6
Printing, Pub. and Allied Prod.	446	438	432	39.4	38.7	38.9
Chemicals and Allied Products	446	458	446	40.1	40.6	39.6
Rubber and Misc. Plastics Prod.	321	322	330	38.5	38.3	39.9
Leather and Leather Products.	262	260	248	39.7	39.0	37.5

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* AUGUST	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$10.29	$10.43	$10.29	$ 9.83	$10.01	$ 9.73
All Manufacturing (Excl. Canning)	10.50	10.58	10.45	10.01	10.15	9.95
Durable Goods	10.49	10.62	10.48	10.06	10.27	10.07
Lumber/Wood Prod. (Exc. Furn.)	7.96	7.87	7.94	7.87	7.81	–
Furniture and Fixtures	8.10	8.14	7.85	7.87	7.88	7.75
Stone, Clay and Glass Products	9.58	9.44	9.68	9.12	9.05	–
Primary Metal Industries	10.17	10.17	9.98	9.66	9.73	9.52
Iron and Steel Foundries	10.17	10.20	9.86	9.63	9.69	9.45
Fabricated Metal Products	10.28	10.19	10.31	9.81	9.74	9.81
Fab. Structural Metal Prod.	9.79	9.79	10.29	9.26	9.23	9.86
Metal Stampings	11.19	11.10	10.96	10.80	10.76	10.32
Machinery (Except Electrical)	11.51	11.63	11.50	11.05	11.29	11.04
Engines and Turbines	12.96	13.10	13.04	12.41	12.90	11.85
Farm Machinery and Equip.	11.89	12.32	12.39	11.49	11.72	12.28
Const. and Related Mach.	10.86	10.78	10.86	10.37	10.46	10.72
Metalworking Mach. and Equip.	12.30	12.41	11.98	11.90	12.00	11.68
Spec. Ind. Mach. (Exc. Metal).	11.64	11.74	11.88	11.06	11.21	11.25
Gen. Industrial Mach. and Equip.	11.49	11.51	11.98	11.00	11.09	11.58
Electrical Mach., Equip. and Supp.	10.72	10.21	10.17	9.78	9.81	9.75
Electrical Industrial Apparatus	11.00	11.17	10.77	10.61	10.86	10.48
Transportation Equipment	14.08	14.07	13.12	13.36	13.48	12.57
Instruments and Related Prod.	9.18	9.15	8.88	8.81	8.82	8.57
Nondurable Goods	10.00	10.13	10.02	9.50	9.63	9.22
Food and Kindred Products	8.74	9.00	8.91	8.37	8.66	8.04
Meat Products	8.60	8.84	8.82	8.28	8.47	8.42
Dairy Products	9.85	9.95	9.81	9.34	9.42	9.20
Textile Mill Products	7.22	7.12	7.89	6.87	6.85	7.47
Apparel and Other Fin. Prod.	6.33	6.34	6.21	6.17	6.16	6.08
Paper and Allied Products	12.64	12.61	12.26	11.88	11.86	11.56
Pulp and Paper Mills	13.42	13.41	12.95	12.56	12.54	12.32
Printing, Pub. and Allied Prod.	11.33	11.31	11.13	–	–	–
Chemicals and Allied Products	11.12	11.27	11.25	10.86	10.99	11.06
Rubber and Misc. Plastics Prod.	8.34	8.42	8.25	8.04	8.10	7.92
Leather and Leather Products.	6.59	6.66	6.79	6.37	6.47	6.49

Section

C

SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers *(Unadjusted)* AUGUST	Average Weekly						Average Hourly Earnings				
	Earnings			Hours			Including O.T.			Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$403	$401	$394	40.9	40.6	40.7	9.86	9.68	–	–	–
Wisconsin	427	429	418	41.5	41.1	41.4	10.29	10.43	9.83	10.01	9.73
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	455	452	424	42.5	41.8	42.3	10.71	10.82	10.02	10.16	10.30
Beloit (City)	392	366	386	39.6	36.6	38.9	9.90	10.01	9.93	–	–
Eau Claire (Eau Claire-Chippewa)	452	452	449	41.8	41.7	42.0	10.82	10.85	10.68	10.18	10.19
Fond du Lac (County)	386	382	394	39.8	39.4	43.5	9.70	9.70	9.06	9.24	9.26
Green Bay (Brown County)	459	459	449	42.1	42.0	42.1	10.90	10.94	10.67	10.14	10.16
Janesville (City)	553	554	471	39.8	39.7	38.1	13.89	13.96	12.36	13.46	13.55
Janesville-Beloit (Rock County)	406	477	435	39.8	38.9	39.5	10.21	12.26	11.01	9.82	11.82
Kenosha (County)	477	472	445	40.9	39.0	39.2	11.67	12.11	11.35	10.97	11.75
La Crosse (County)	352	351	357	38.9	38.1	38.6	9.05	9.21	9.25	8.74	8.92
Madison (Dane County)	387	398	404	40.2	40.9	42.3	9.63	9.74	9.54	9.31	9.35
Manitowoc (County)	390	372	360	40.2	38.8	39.1	9.70	9.59	8.20	9.25	9.22
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	478	483	476	41.0	41.2	41.0	11.67	11.73	11.61	11.09	11.24
Racine (County)	432	430	439	40.1	39.3	40.7	10.78	10.94	10.79	10.48	10.71
Sheboygan (County)	398	391	392	42.3	41.0	41.9	9.41	9.53	9.35	8.94	9.08
Wausau (Marathon County)	425	425	411	42.8	43.0	42.3	9.92	9.88	9.71	9.37	9.39

EMPLOYMENT, MFG. *(Unadjusted)* AUGUST	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,198.0	19,023.0	19,042.0	0.9	0.8
Wisconsin	525.0	531.9	525.3	- 1.3	- 0.1
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	51.4	51.3	49.0	0.2	4.9
Beloit (City)	4.8	4.8	4.7	0.0	2.1
Eau Claire (Eau Claire-Chippewa)	10.3	10.3	10.4	0.0	- 1.0
Fond du Lac (County)	10.0	10.0	11.0	0.0	- 9.1
Green Bay (Brown County)	25.8	25.1	26.1	2.8	- 1.1
Janesville (City)	5.5	10.0	7.9	-45.0	-30.4
Janesville-Beloit (Rock County)	12.4	17.1	14.4	-27.5	-13.9
Kenosha (County)	10.6	13.2	10.9	-19.7	- 2.8
La Crosse (County)	10.3	10.3	10.4	0.0	- 1.0
Madison (Dane County)	22.7	22.6	22.0	0.4	3.2
Manitowoc (County)	11.4	11.7	12.7	- 2.6	-10.2
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	165.4	165.8	167.0	- 0.2	- 1.0
Racine (County)	23.1	23.4	24.4	- 1.3	- 5.3
Sheboygan (County)	20.4	20.0	19.1	2.0	6.8
Wausau (Marathon County)	13.7	13.8	12.5	- 0.7	9.6

LABOR FORCE = POPULATION X PARTICIPATION

by Joseph Tumpach Jr.

The battle between the population and the labor force participation rate is coming to a showdown. And there are strong implications about the way we will view future labor supply depending on the winner.

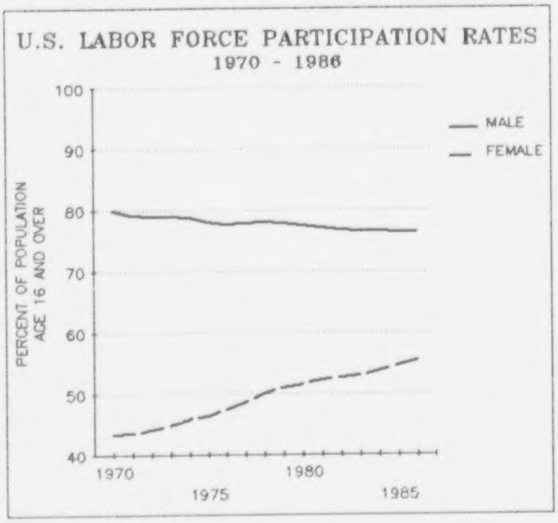
The conflict analogy is more useful than real, but our estimates of Wisconsin's future labor force do, indeed, depend on our population's predisposition to seek jobs and to work. While the contestants are two million workers and job seekers, the swing votes are held by those who are 35 through 44 years old.

Labor force participation rates are, simply, the percents of the various population segments which are either employed or looking for a job. Gauging the size of the future labor force consists of applying the participation rates to population estimates for the future. Labor force entry may begin at no earlier than age sixteen, by official definition. Thus, the population which will join the labor force ten years from now has already been born. The population component of the formula is fairly accurate.

For years the participation rates had been growing, due in large part to the increased work activity of women of all ages; and population had been growing strongly, due to the post-war baby boom. Predicting an increasing labor supply was a safe bet. We have labor force participation rates for both men and women, and for workers of various ages. Estimating labor force size by adding together components--young workers, old workers, male and female--agreed generally with the overall view of an expanding labor force. Participation rates increased from year to year and population was growing.

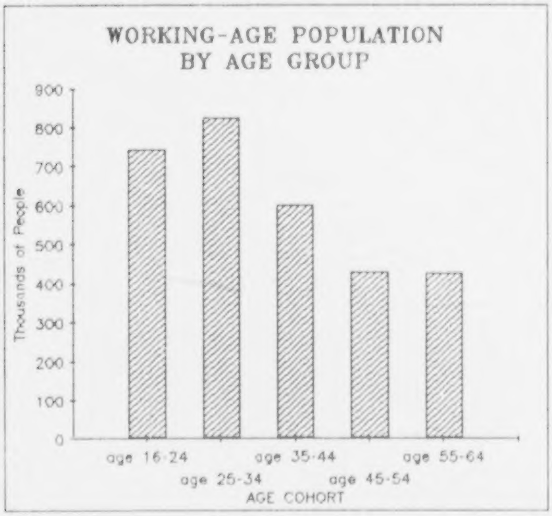
The economic cycle does, however, produce a variation on labor force growth patterns. During recessionary phases, the participation rates of women and young workers tend to decline as many women and youth delay labor force entry or withdraw from the labor force when jobs are scarce. Women usually have a lower unemployment rate than men during a recession simply because many women withdraw from the labor force upon becoming unemployed and, thus, are not officially counted among the unemployed.

In the past, however, economic recovery and expansion has brought a return of increasing labor force participation, with rates of participation continuing to climb from pre-recession levels.

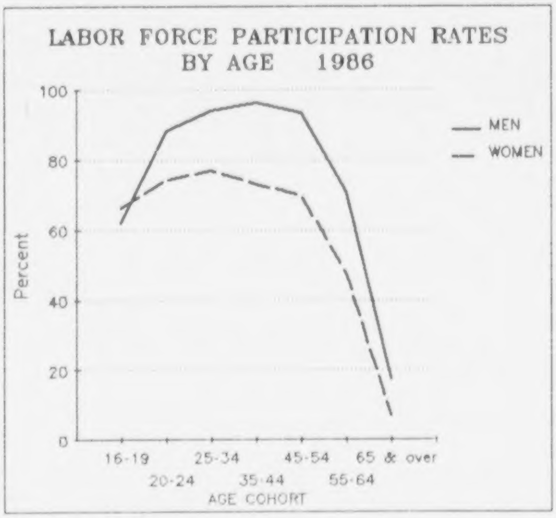


The population boom lasted roughly fifteen years. The number of births in Wisconsin peaked in 1960. And as that population segment aged into labor force age, sixteen years old, a constantly growing stream of workers swelled the state's labor pool. But population growth alone didn't account for the rapidly expanding labor force. Between 1970 and 1980, the state's working-age population grew by nearly 520 thousand. At the same time, the labor force grew by 487 thousand. And between 1980 and 1985, the Wisconsin labor force grew by about 106 thousand workers while the working-age population grew by less than 100 thousand.

Within the next few years, we may reach a point where population growth and labor force participation rates cross paths. What resulted from the population explosion followed by the birth dearth, the sudden, sharp decrease in the birth rate...what resulted was a large swell of population which is now in the labor force and is now progressing to middle-age.



At the same time that population was rapidly growing, the labor force participation rates were consistently increasing from year to year. Women in particular, and women of all ages, dramatically increased their labor force attachment. There is variation, however, between men and women, and depending on age. The portion of men entering the labor force grows sharply at age 25 and remains high--around ninety percent--until 55 years of age. Women's labor forceactivity is highest at between 20 and 24 years of age and decreases gradually until age 44. At that age, the women's rate begins a fast drop. It is that fast labor force withdrawal age which the large baby-boom population is approaching.



The combination of population and labor force participation is what causes uncertainty.

If population growth first increases rapidly then slows over a span of years, and if individuals don't change their labor force status during their working age, the labor force will first grow rapidly then decline.

And if participation rates continue to increase enough while population growth slows, the labor force could continue to grow.

If, however, many individuals drop out of the labor force as they age, and if a large segment of the population is about to reach the age of weak labor force attachment, then a precipitous decrease in the size of the labor supply is possible as we move into the decade of the nineteen-nineties.

(continued on back cover)

STANDARD INDUSTRIAL CLASSIFICATION SURVEY

There will be a major revision of the Standard Industrial Classification (SIC) in 1987-1988. The SIC is used primarily to help in the collection, tabulation, presentation, and analysis of data on business establishments. It also promotes uniformity and comparability in the statistical data collected by various agencies of the federal government. Data from the SIC is also used by state agencies, private business, trade associations, and other organizations.

The Wisconsin Bureau of Labor Market Information (LMI), in cooperation with the Bureau of Labor Statistics (BLS) in the U.S. Department of Labor, will distribute the SIC Survey to approximately 13,500 Wisconsin employers between November 1987 and January 1988, depending on when the forms are received from the federal government. Most conversions to the revised SIC will be made automatically by computer, and so not all 102,000 Wisconsin businesses have to be surveyed. The 1987 SIC revision has taken into account: 1) technological changes, 2) institutional changes such as deregulation in the banking, communications, and transportation industries, and 3) the tremendous expansion in the service sector.

The SIC encompasses all economic activity, and is a classification of establishments, rather than legal entities or enterprises, by kinds of businesses, not by occupations or commodities. It is revised periodically to reflect changes in the industrial composition of the economy.

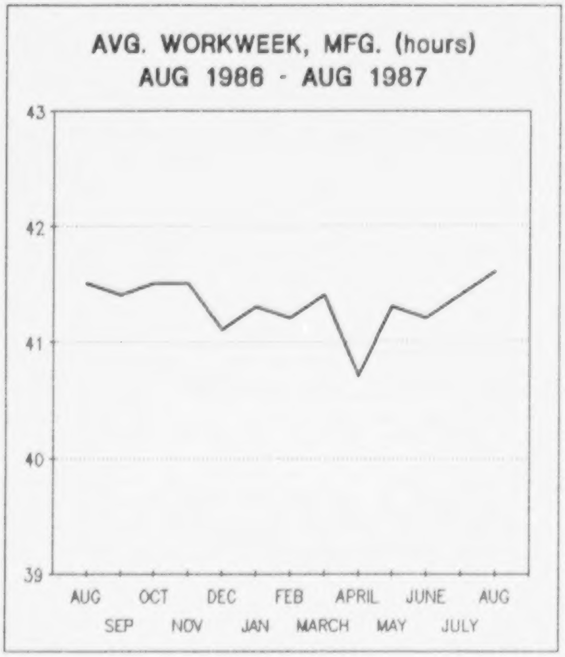
Accurate SIC coding can be very important to businesses in governmental economic development efforts. The governor could determine that specific development efforts are to be directed to businesses only in certain codes, and accurate coding will ensure that the businesses that should receive help do receive it.

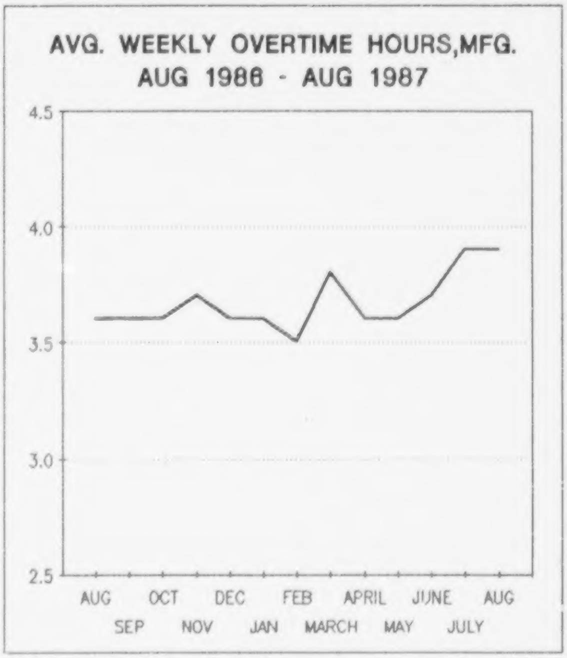
Completion of the survey could be mandatory under Wisconsin law (s. 101.02), but the Secretary of Industry, Labor and Human Relations is not exercising that authority at this time. According to Secretary John Coughlin, "The SIC is one of the most important tools that has been developed to promote accurate and efficient statistical analysis of business activities. Prompt return of completed surveys will help ensure that both business and government continue to have access to accurate data to guide their decisions."

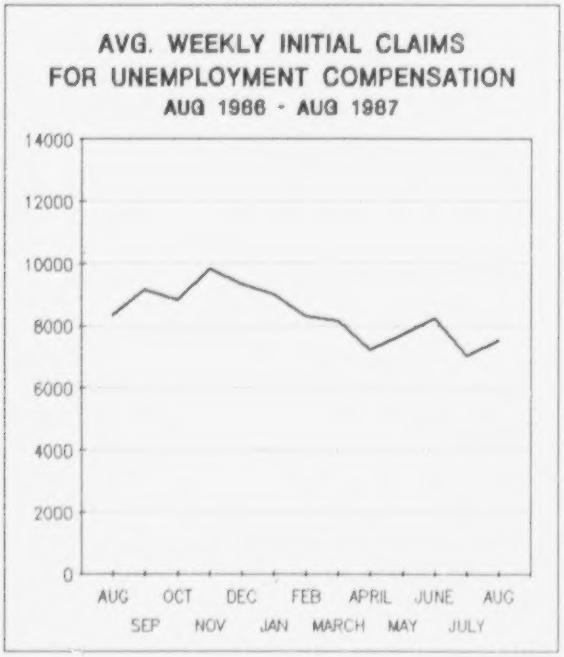
Although the SIC was developed initially for statistical use within government agencies, it is now used widely by individual businesses for classification of their customers and suppliers in market research, by various research and business organizations, and by trade and professional associations.

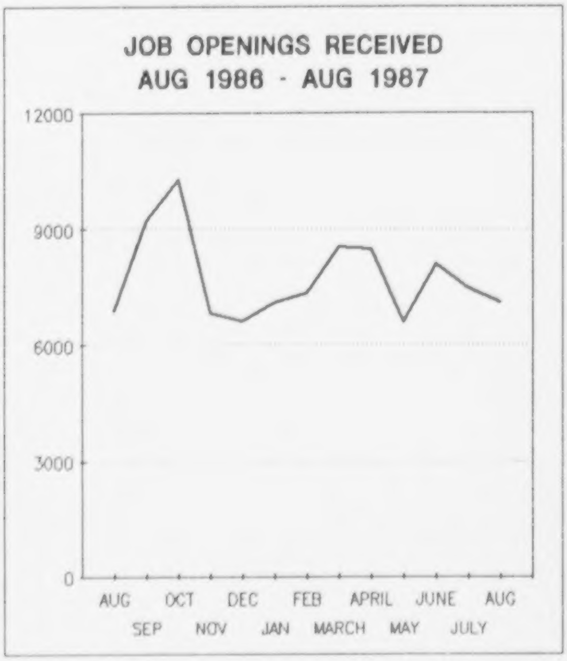
Statistics classified by industry are used not only to show how industries have performed over the past year, but also to indicate emerging and rapidly growing industries. The second usage requires that comprehensive and frequent changes be made to keep up-to-date on the industrial composition and structure of the economy. The revision should provide the means for introducing new industrial detail generated by economic growth or technological change. Individual employers will not be identified; information will be released only in summarized form.

CYCLICAL INDICATORS

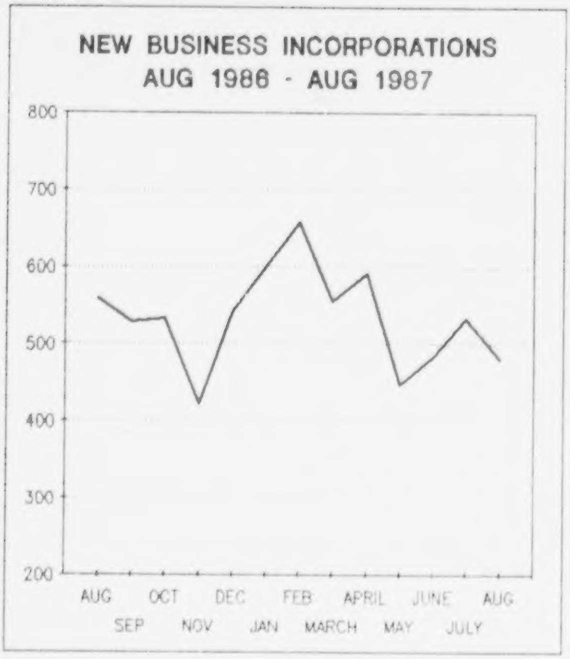


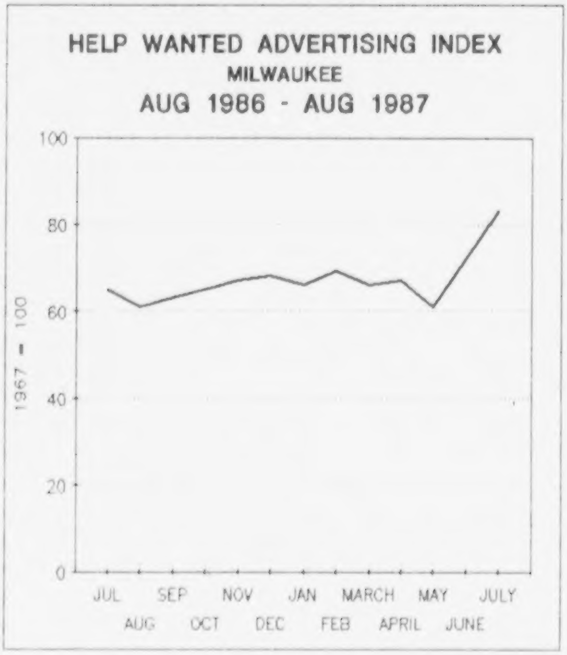


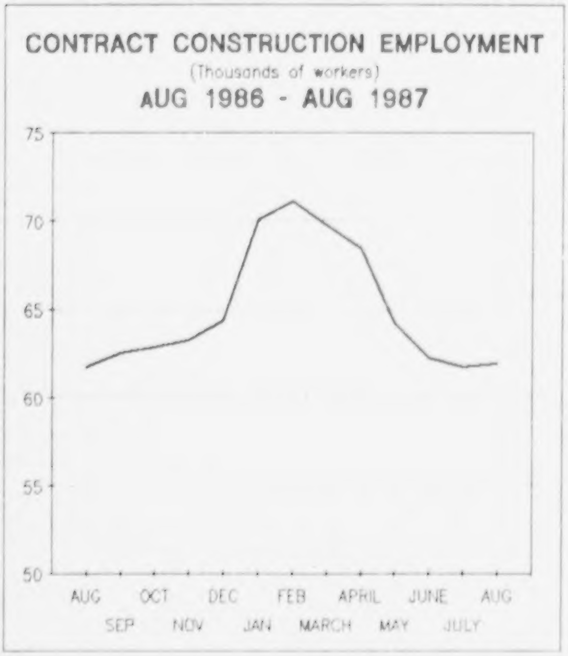


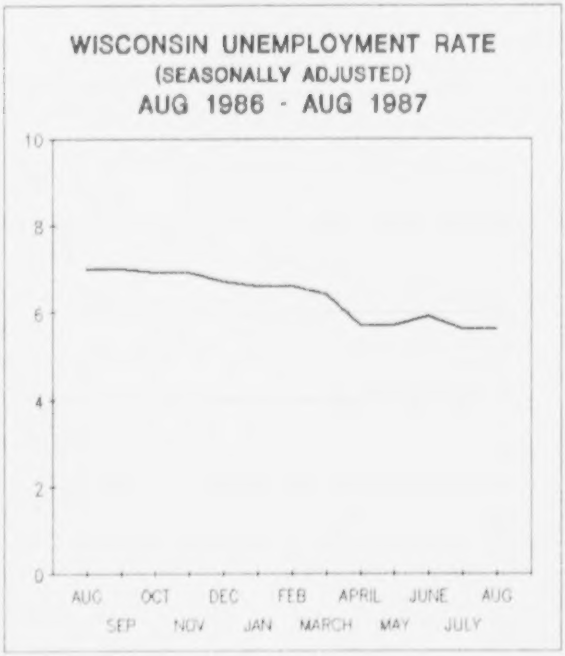


CYCLICAL INDICATORS









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(continued from page 10)

In the past couple of years, labor force growth has been slow. Most of the slow growth is due to a much smaller population segment becoming labor force age. That has resulted in the current shortage of workers for typically teenage jobs. That shortage will resolve itself as the birth rate has resumed a slow, but steady, growth following the low fertility rates of the 1960's. What may be more serious is whether the middle-age population follows the traditional pattern of decreasing labor force attachment as it ages, or remains in the labor force, carrying their high participation rates to a later age.